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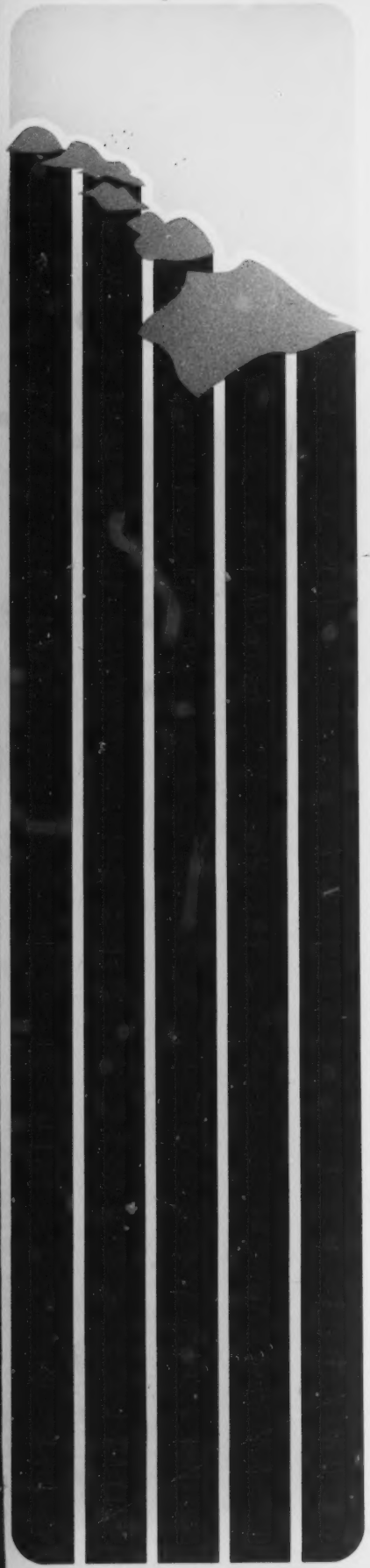

QUARTERLY

STATISTICAL & ECONOMIC REPORT

- The Economy: Recent Trends and Outlook
- Oil Prices and the World Outlook
- California Market Update
- Statistical Tables

4th QUARTER 1990

STATE OF HAWAII 1959

This quarterly report has been prepared by the staff of the Research and Economic Analysis Division of the State Department of Business, Economic Development & Tourism (DBED) under the direction of Dr. Richard Y. P. Joun, Division Head. It presents information and analysis concerning current statistical and economic trends affecting Hawaii. Technical notes and source descriptions have been kept to a minimum. However, the staff of the Research and Economic Analysis Division will be happy to respond to any inquiries of a technical nature that readers may have (548-3067).

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ECONOMIC DEVELOPMENT
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STATE OF HAWAII • 1959 •

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1 THE ECONOMY — RECENT TRENDS AND OUTLOOK

The Persian Gulf crisis has resulted in a significant change in the U.S. economic environment over the past several months, from a seemingly successful soft landing to the brink of the nation's first recession in nearly a decade.

Hawaii's economy, though currently showing considerable strength, will feel at least some effects of the nation's economic problems, the very least of which will be a higher level of inflation during the next several months.

Although the national outlook is increasingly recessionary, past experience indicates that the State's visitor industry will likely resist a modest decline in national economic growth. Defense spending, export agriculture, and continued strength in construction will help cushion Hawaii from a national recession. The prospect of continued strength in the Japanese economy, despite the Tokyo stock market decline, will also help counter weakness in Hawaii's Mainland visitor market.

A CHANGED ECONOMIC ENVIRONMENT

The early August invasion of Kuwait by Iraq and subsequent U.S. military deployment in Saudi Arabia have significantly changed the national and international economic environment. The economic embargo of Iraq and Kuwait by the United Nations removed about 8 to 9 percent of the "free" world's daily oil supply from the market. Although other OPEC and non-OPEC oil producers increased production levels to offset most of this loss, the prospect of losing Saudi oil if war breaks out combined with other uncertainties, drove oil prices to record levels in both the futures and spot markets. Oil futures contracts for 30 days forward have been as high as $40 per barrel since the invasion, about double the pre-invasion price. On average, contracts have been in the $25 to $30 per barrel range since December. The spot market price for petroleum available immediately on the open market also rose and fell with changes in the 30-day futures price. By the fourth quarter of 1990 most economists concluded that the U.S. was in a recession.

Impact on the U.S. Economy:

There are potential dangers for the U.S. economy at this time from even a mild recession. First, a recession will complicate the difficult problem of reducing the Federal budget deficit. This is because Federal tax revenues slow and may even fall in a recession. Meanwhile, Federal expenditures are not likely to slow significantly so long as the U.S. is supporting a huge contingent of military forces in the Middle East. Not only will the deficit likely exceed the $300 billion level, but funding it will be more difficult. Foreign investors, particularly Japanese, face constraints on buying U.S. securities due to problems related to the oil crisis. Further, real interest rates (net interest rate after subtracting the inflation rate) are now lower in the U.S. than in Japan and Germany, a condition which also discourages investment in U.S. securities—even in virtually 100 percent safe, U.S. Government Bonds. These factors will tend to keep upward pressure on long-term interest rates in the U.S. even while the economy is in a decline, a situation which could make quick recovery from a recession more difficult.

Another danger from a recession is the potential impact on the U.S. financial system. The levels of private debt, especially corporate debt, are very high. Years of excess in the use of leveraged buy outs (through the use of high interest "junk bonds") have strapped a large number of U.S. corporations with very high debt service costs. Many of these firms may not be able to ride out even a mild downturn in sales without defaulting on that debt. Defaults could force many companies into bankruptcy or even out of business, thus adding to the unemployment rate, and increasing the pressure on an already strained banking system struggling to cope with the savings and loan crisis.

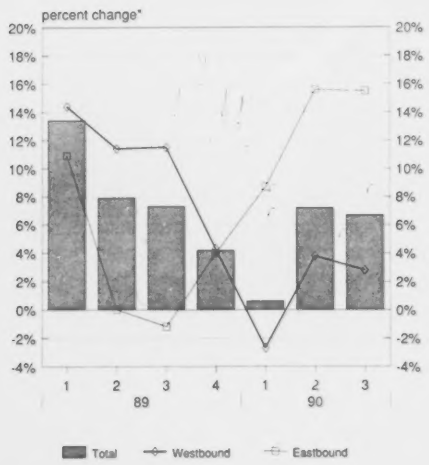
Thus, in a "pessimistic" scenario, a mild recession resulting from the impact of higher oil prices could trigger a much more serious business decline. Alternatively, once current oil prices are absorbed into the price of finished goods, hopefully by early 1991, the optimistic scenario would be for the economy to stabilize and begin moving forward again. Later in 1991, if the Middle East and oil supply situations can be stabilized, a gradual decline in oil prices to more modest levels will help accelerate a recovery. In neither of these two scenarios, however, is the impact of a major military conflict factored in.

IMPLICATIONS FOR HAWAII'S ECONOMY

The worsened outlook for the U.S. economy comes at a time of continued economic strength in Hawaii. Tourism has continued to do well overall, despite the crisis, and has surprised forecasters who earlier expected only modest gains in 1990 after several years of strong growth. Construction, though showing signs of leveling off, is still providing considerable steam to the State's economy. Overall defense expenditures in Hawaii over the past year have been stable despite plans for overall reductions of U.S. military forces elsewhere.

Hawaii's Mainland Visitor Market:

Figure 1-1
Growth in Visitor Arrivals



*From same quarter in previous year.
SOURCE: Hawaii Visitors Bureau

With a slowdown in the national economy, the key to Hawaii's economic growth prospects over the coming year will be how the State's visitor markets respond to the national economic slowdown. An increase in the Mainland U.S. market will certainly be questionable if the nation settles into a recession. Even before the Gulf crisis, the Mainland market had been flat for most of 1990. This was due to both the sluggish national economy and to a 10 percent surge in Mainland tourism in 1989. The high 1989 growth in tourism would have been difficult to duplicate in 1990 under any circumstances.

The major exception to the weak Mainland market this year has been California. This market, which accounts for one-fifth of Hawaii's total visitor count, showed a 16 percent per year growth rate in 1989 and a 1 percent increase in 1990. However, for a number of reasons, including the darkening national economic outlook, the California market will no likely contribute much growth in the visitor count over the next year or more. (A detailed report on the California market is contained elsewhere in this publication.) Thus, the outlook for the Mainland visitor market over the next year is not encouraging if the national economy continues to slow. The one favorable factor is that since the Mainland market has grown very little over the past year, there may be less risk of visitor declines (with the exception of California) even in a modest recession. The effect of the recently imposed increase in the Federal tax on air fares remains to be seen.

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IMPACT OF HIGH OIL PRICES ON THE WORLD ECONOMIC OUTLOOK

Most forecasters of international economic activity prepared their 1991 projections for the world economy before the Persian Gulf crisis erupted and they have since been trying to estimate the economic difference that higher oil prices will make. Since oil prices will likely be very volatile and unpredictable through the current situation, forecasters have approached the problem of estimating oil's economic impact by exploring the "sensitivity" of the economy to increases in oil prices. This can be done in many computerized models by choosing different oil prices and running the forecast model to see what difference the new prices make. A number of such "alternative" forecasts have recently been issued by major international agencies and generally these forecasts indicate a less drastic (although not insignificant) impact on overall economic activity from inflated oil prices than many had feared at the beginning of the crisis.

The IMF World Forecast

Notable among international forecasts in its quality and clarity is the annual world economic outlook of the International Monetary Fund (IMF) which was updated in August just after the Persian Gulf crisis began. The IMF "base line" forecast assumed that the situation in the Persian Gulf would stabilize quickly and that the output of petroleum from other countries would offset most of the loss in output and exports from Iraq and Kuwait. On this basis, the average annual price per barrel of oil was expected to increase about 20 percent in 1990 (to a little less than $21) and another 11 percent in 1991 (to $23). Per barrel oil prices would decline after a peak sometime in 1991, and by the fourth quarter of the year, be down to about $21. Under these conditions, the IMF's baseline forecast expected world economic growth to average 2 percent in 1990, rising slightly to 2.4 percent in 1991 (see table A). Industrialized nations would grow 2.6 percent in 1990 and 2.4 percent in 1991. For developing countries, the forecast expected modest growth of 2.2 percent in 1990, rising to 4.2 percent in 1991.

The IMF forecasters also developed an alternative scenario in which the annual average petroleum price per barrel rises by an average 23 percent in 1990 (to slightly more than $21) and 43 percent in 1991 (to about a $30 average). The results are interesting. The simulation shows that such a seemingly large increase in the price of oil will result in only a modest decrease in economic activity from the baseline forecast for the industrialized (high income) nations and a net gain in activity overall for developing (low to middle income) countries. As Table A indicates, under the higher oil price assumption, real Gross Domestic Product (GDP) in the industrial countries is projected to be lower than the baseline (moderate oil price) forecast by only 0.2 percentage points in 1990 and by 0.5 percentage points in 1991. For the developing countries, a modest overall gain in economic activity is realized under the high priced oil assumption (0.2 percentage points in 1990 and 0.4 percentage points in 1991) but this is primarily due to the added oil export revenues of a few oil exporting countries. In those oil exporting countries, the 1991 growth rate is more than double the baseline 1991 growth rate. The picture is the opposite for nonexporting developing countries, however, with growth slowing by an average 0.3 percentage points in 1990 and 0.8 percentage points in 1991.

Impact on Growth in the U.S. and Japan

The U.S. Mainland and Japan are the most important markets to Hawaii as far as economic stability is concerned. The IMF baseline projections for total U.S. economic growth in 1990-91 were among the lowest of the industrialized nations — only 1.3 percent in 1990 and 1.7 percent in 1991. The IMF baseline projections for Japan, on the other hand, expected vigorous 5.1 percent growth in 1990, slowing modestly to 3.7 percent in 1991. Under the high-oil-cost scenario, the U.S. and Japan are expected to experience about the same modest loss of growth from baseline as would industrialized nations as a group. This would amount to a 0.2 percentage point reduction in growth from the baseline projections in 1990 and a 0.5 percentage point loss in 1991 (0.6 percentage points for Japan).

A number of other forecasts such as the World Bank and the University of Pennsylvania's Project Link also expect the economic impact on the industrialized nations of

high-cost oil to be modest — no more than a 0.5 percentage point loss in growth from the previously expected baseline in 1991. Beyond this generalization, however, further comparisons between the IMF and other forecasts (which are generally not as well documented as the IMF projections) are very difficult to make. This is because the various forecasts tend to differ with respect to both their baseline projections and their definitions for high-priced oil. The other forecasts also differ markedly in their baseline expectations for economic growth in the developing nations. For instance, the IMF and Project Link expect growth in developing countries to be in the 2 to 5 percent range for 1991 regardless of oil price. The World Bank, on the other hand, is forecasting serious overall decline in the economies of low income nations, even if oil prices are moderate.

Based on the IMF and other forecasts, it appears that as long as oil supplies remain at or near their current levels, it is unlikely that higher oil prices alone will cause widespread recession except where the economic growth rates are already very marginal (for example the United States, Canada and the United Kingdom). Potentially more significant for the prospect of widespread recession will be the seriousness of the economic downturn in the U.S. Even without a U.S. recession, the recent drop in the international value of the dollar will tend to slow the huge volume of imports the U.S. buys from other nations. A U.S. recession, if sharp or prolonged, will almost certainly result in further import cutbacks. This, in concert with high oil prices, could significantly slow the entire world economy and, no doubt, slow visitor traffic to Hawaii even further than now projected. However, as the U.S. outlook presented elsewhere in this report indicates, neither a sharp nor prolonged economic decline is expected, thus reducing the probability although not the concern over such a situation.

Table A

IMF World Economic Growth Forecast: 1990-1991 Baseline and High Oil Price Alternative

	Economic Growth Rates (percent)					Difference Between Scenarios (percentage points)	
	Actual	Baseline Scenario		High Oil Price Scenario			
Countries	1989	1990	1991	1990	1991	1990	1991
All Nations 1/	3.0	2.0	2.4	na	na	-	-
Industrialized 2/	3.4	2.6	2.4	2.4	1.9	-0.2	-0.5
U.S.	2.5	1.3	1.7	1.1	1.2	-0.2	-0.5
Japan	4.9	5.1	3.7	4.9	3.1	-0.2	-0.6
Developing 3/	3.0	2.2	4.2	2.4	4.6	0.2	0.4
Fuel exporters	3.4	3.6	4.1	5.6	8.6	2.0	4.5
Fuel importers 4/	2.9	1.7	4.2	1.4	3.4	-0.3	-0.8
Eastern Europe & USSR	na	-2.8	-0.1	na	na	-	-

na not available

1/ Except those for which data are unreliable.

2/ Includes Western Europe which is not shown separately by IMF.

3/ High scenario includes net debtor countries only. It must be noted that the most recent forecast by the World Bank expects declines rather than growth in the overall growth of developing economies.

4/ High scenario data estimated by DBED from IMF tabular data.

Source: World Economic Outlook, International Monetary Fund, October 1990, various tables and quoted data. Rates of growth measure either gross national product (GNP) or gross domestic product (GDP) at constant prices.

The Japan Visitor Market:

The Japan market also contributes about one-fifth of the State's visitor count. However, Japanese visitor expenditures contribute more than one-third of total State receipts from tourism. Despite the significant decline in Japan's stock market recently, the overall economy has been showing strong growth, and like Hawaii, Japan faces a labor shortage condition. The threat of excess inflation (which for Japan is just about anything over 3 percent) has prompted the government to tighten credit conditions by raising interest rates. This has been one of the primary reasons for a recent flow of international investment funds away from the U.S. to Japan and the resultant weakening of the U.S. dollar. However, a weaker dollar means a stronger Japanese yen and this implies greater overseas buying power for Japanese consumers, including potentially more spending on Hawaiian vacations.

The government of Japan is confident that it can cope with the surge in oil prices. The nation is exceptionally efficient in its use of energy and has reduced its dependence on petroleum in recent years. Japan has also accumulated a large strategic petroleum reserve that can be tapped if needed. Although Japan's growth could well slow, it is unlikely to experience a recession unless serious shortages in the supply of oil occur.

Consequently, the outlook for tourism from Japan appears stable at this time. Despite problems in the Japanese financial sector, strength in consumer income and the high value of the yen will make Hawaii a particularly affordable value for the Japanese in the coming year if inflationary pressures in the Japanese economy can be held in check. The question that only time can answer is the extent to which any strength in the Japan visitor market will be able to compensate for expected weakness in the U.S. travel market.

Investment and Construction:

A surge in investment activity in Hawaii, much of it in the visitor industry and particularly by Japanese interests, has been a significant economic growth factor in recent years. However, the roughly 40 percent decline in the Japanese stock market since the beginning of the Gulf crisis may have reduced the ability of firms and banks to further underwrite outside investment on the scale of recent years. This is because stock holdings have, among other things, been used at their prevailing market value as collateral on loans for foreign investment and to satisfy bank capital requirements (asset to loan value ratio). As the market value of stocks has fallen, the value of collateral supporting loans has declined, which discourages additional bank lending. Another problem for banks is the rising international value of the yen, which decreases the yen value of their overseas assets, and thereby squeezes capital requirements even further. Finally, the rising real interest rate in Japan also acts as a deterrent to aggressive investment activity.

Nevertheless, even though this squeeze may slow investment out of Japan temporarily, it is not likely to affect current, committed investment in Hawaii in any significant way soon, nor will it likely result in significant divestment of long-term investments in the State.

Most Japanese investments in Hawaii tend to be by well-financed, major corporations. Japanese firms and banks are more likely to sell poorly performing Mainland properties or financial assets, particularly bonds, if cash must be raised. To be sure, the current situation is straining the Japanese financial system. However, that system appears to be coping for now, without serious consequences for the economy as a whole.

The rate of non-Japanese based investment in Hawaii will depend to a large extent on interest rates and capital availability. Currently, inflationary expectations and the budget deficit problem are keeping long-term rates rather high, which tends to discourage new investment.

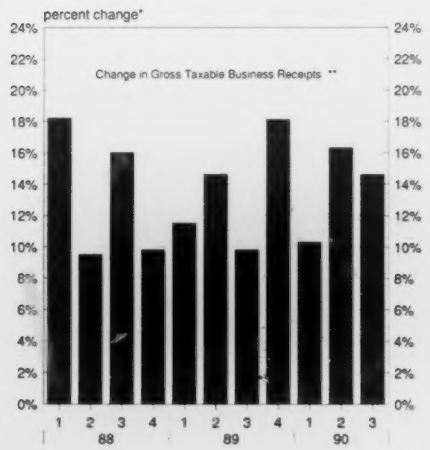
Other Impacts of a Recession:

For Hawaii, a short Mainland recession would certainly slow the economy, particularly exports to the Mainland. It would also drain some buying power from the local spending stream to pay for the higher cost of imported oil. However, the combination of a healthy Japanese visitor market and the State's traditionally stable defense and export agriculture sectors should cushion potential weakness in the Mainland visitor markets.

RECENT STATE ECONOMIC PERFORMANCE

While business activity on the U.S. Mainland limped along, the Hawaiian economy continued to perform well through the third quarter of 1990. Total business transactions subject to State excise and use tax continued to grow at double-digit rates, up 15.1 percent for the first three quarters of 1990. This increase was led by the services sector, with a 19.5 percent increase.

Figure 1-2
Growth in Business Transactions



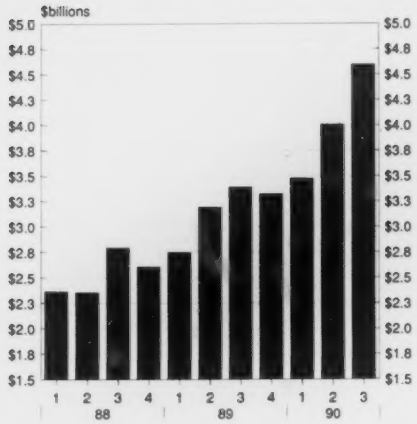
*From same quarter in previous year
**Subject to State Excise and Use Tax
SOURCE: State Dept. of Taxation

Visitor arrivals have shown a healthy 4.9 percent gain for the first eleven months of 1990. Eastbound visitors, primarily from Japan and other parts of Asia, have provided the major source of visitor growth, up 14.6 percent through November. The number of westbound visitors, most from the U.S. Mainland, Canada, and Europe showed only 1.0 percent growth for the first eleven months of 1990 after posting a 10.3 percent increase in 1989.

The construction industry has continued its strong showing of recent years. Employment in construction was 29,300 in the third quarter, a 4.2 percent decrease over the high levels seen during the third quarter of 1989. However, the value of taxable construction completed in the State for the first three quarters of 1990 rose 29 percent above the same 1989 period, exceeding $1 billion for the second quarter in a row. Authorizations for new private construction, however, are running 4.8 percent below the comparable period in 1989, indicating that some stable level of activity will be reached in the industry in the near future. Still, the huge volume of authorizations already recorded will keep activity up well into 1991.

For Hawaiian agriculture, the most important news this year has been the retention of the sugar industry's quota-based price support system along with accompanying loan guarantees in the 1990 Farm Bill. Both

Figure 1-3
Value of Completed Construction*
(annual rate)



*Receipts subject to State excise tax
SOURCE: Dept. of Taxation and the DBED data base.

branches of the Congress voted against amendments which would have lowered the loan guarantee from 18 to 16 cents. This should ensure the continued viability of Hawaii's sugar industry for at least the next five years. Still, the slow but steady decreases in sugar acreage and employment will probably continue due to the marginal profitability of the activity and increasing competition for land and labor resources in the State.

Diversified agriculture has performed sluggishly on the whole for the first half of 1990, up only about one percent from the same period in 1989.

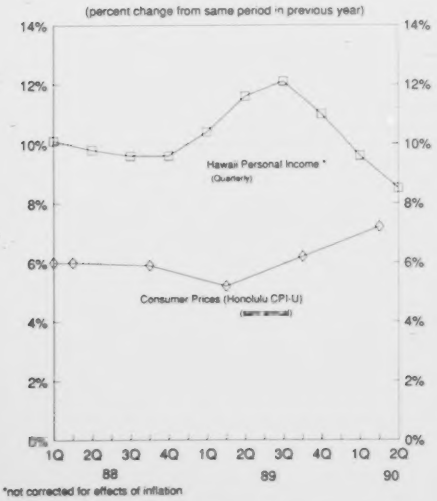
Hawaii maintained steady overall job growth in 1990. Preliminary figures for the third quarter show an increase to 568,250 jobs, a 2.6 percent increase over the third quarter of 1989. The Statewide unemployment rate remained unchanged at 2.7 percent in the third quarter of 1990.

Total personal income in Hawaii increased 8.5 percent in the second quarter of 1990 from the second quarter of 1989. This increase was well above the national increase of 5.9 percent during the same period.

However, at least a portion of Hawaii's faster growth is being offset by the sharper increase in consumer prices locally. Figures released for the first half of 1990 show that the urban consumer price index (CPI-U) for Honolulu rose at its fastest rate since data were first gathered on a semiannual basis in the mid-1980's. The CPI-U rose 7.2 percent from a year earlier compared with a national increase of 4.9 percent during the same period.

ECONOMIC OUTLOOK AND FORECAST

Figure 1-4
Income & Prices



*not corrected for effects of inflation

SOURCE: U.S. Depts. of Commerce & Labor

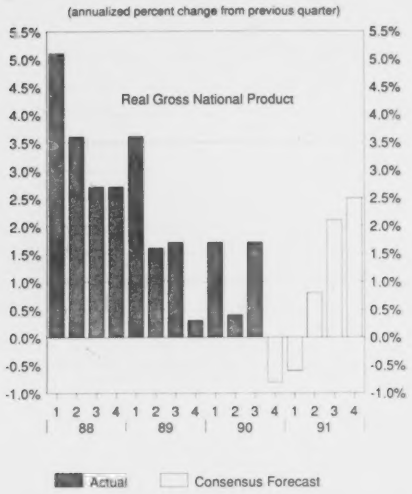
U.S. OUTLOOK

The outlook for both the State and the national economy is understandably less certain than it was just a few months ago. The Blue Chip Economic Indicators' composite of 52 major national forecasts predicts a short, two-quarter recession starting in the fourth quarter of 1990 with a recovery beginning in the second quarter of 1991 (Table 1-1).

This "consensus" forecast, as it is called, pegs the anticipated decline in real GNP at less than one percent (annual rate) for the fourth quarter of 1990, with consumer prices (CPI-U) increasing to an annual rate of around 7 percent. The first quarter of 1991 is expected to show a 0.6 percent decline in real GNP with the rate of increase in the CPI-U falling to just over 5 percent. For all of 1991, the consensus forecast predicts a modest, 0.5 percent increase in real GNP with a 5.2 percent increase in the CPI-U.

The "consensus" is, of course, a composite of many forecasts which individually reflect conditions which are more or less severe than the composite itself. Obviously, many factors are at work which could change the outlook significantly, including a potential war in the Middle East, the price and supply of oil, the actual extent of deficit reduction in the recently passed Federal budget, the ability of the financial system to withstand a business downturn, and the actions of the Federal Reserve System.

Figure 1-5
U.S. GNP: Trend and Outlook



SOURCE: Blue Chip Economic Indicators

Beyond 1991, the consensus forecast predicts that the economy will return to a modest growth path with real GNP increasing between 2.5 and 2.7 percent per year for the balance of the 1990s. Consumer price increases, as measured by the CPI-U, will not likely fall below 4 percent for the next 10 years according to the consensus forecast, with long-term interest rates (for corporate aaa Bonds) easing only slightly to about 8.4 percent by the end of the decade.

HAWAII'S OUTLOOK

The revised DBED forecast for Hawaii (Tables 1-2 to 1-5) reflects the "consensus" expectation that the U.S. faces a brief and relatively modest economic downturn which will be reversed by the second quarter of 1991. Under these conditions, Hawaii's current growth surge, paced by tourism and construction, is expected to slow over the next year but will not follow the U.S. into recession. Hawaii's economy will likely be stabilized through continued growth in the number of Japanese visitors and the momentum of continued construction activity. The DBED forecast anticipates a 7 percent increase in the Honolulu CPI-U for 1991, following an estimated 8 percent increase in 1990.

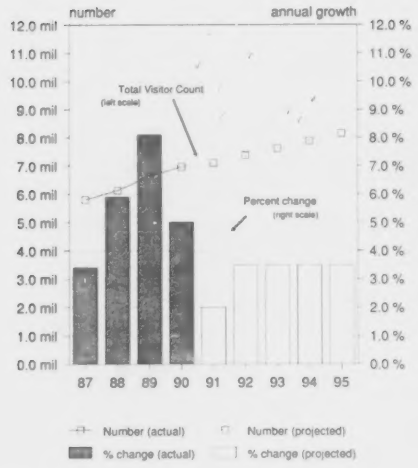
Table 1-1

U.S. ECONOMIC FORECAST FOR 1991

	1990			1991 Forecast				Actual		Forecast
	2Q	3Q	4Q*	1Q	2Q	3Q	4Q	1989	1990*	1991
Annualized % Growth Rates from prior Quarter										
Real GNP	0.4	1.8	-0.8	-0.6	0.8	2.1	2.5	2.5	1.0	0.5
Industrial production	4.1	4.1	-1.7	-1.6	0.0	2.2	3.2	2.6	1.3	0.6
GNP deflator	4.7	3.4	5.1	4.8	4.2	3.9	4.0	4.1	4.3	4.5
Consumer price index	3.8	6.3	7.1	5.1	4.1	4.1	4.2	4.8	5.5	5.2
Producer price index	0.7	5.9	8.6	4.4	2.7	3.0	3.5	5.3	na	na
Real disposable income	0.3	-0.6	-0.9	-0.1	1.1	2.0	2.3	2.4	1.1	0.5
Corp. pretax profits	na	na	na	na	na	na	na	-7.7	-4.1	-1.4
Housing Starts	na	na	na	na	na	na	na	-7.4	-11.6	0.0
Average for Quarter										
Net exports ($bil) 1/	-44.6	-52.5	-45.7	-40.1	-36.5	-33.4	-31.1	-54.1	-43.8	-35.3
Unemployment rate (%)	5.3	5.7	5.9	6.1	6.3	6.3	6.3	5.3	5.5	6.3
Prime Rate (%)	10.0	10.0	na	na	na	na	na	10.9	na	na
3-mo.Treas. bill rate (%)	7.7	7.5	7.1	6.9	6.7	6.7	6.8	8.1	7.5	6.8
AAA corp. bond rate (%)	9.4	9.4	9.4	9.2	9.0	8.9	8.9	9.3	9.3	9.0

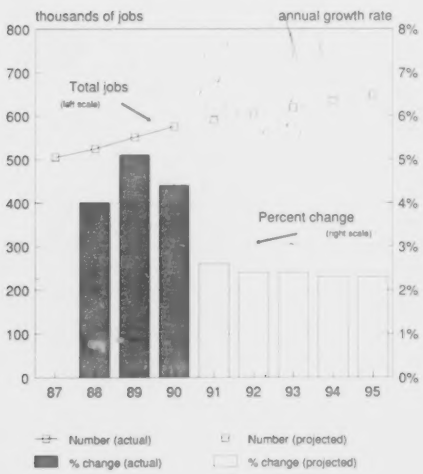
* estimate
na: not available
1/ in constant dollars adjusted to an annual rate (quarterly total x 4)
Source: Eggert Economic Enterprises, "Blue Chip Economic Indicators", November 10, 1990

Figure 1-6
Hawaii Outlook: Tourism



SOURCE: HVB data; DBED projections

Figure 1-7
Hawaii Outlook: Jobs Growth



SOURCE: Dept of Labor; DBED Projections

Hawaii will feel some impacts of the national slowdown. Visitor arrivals will likely slow to about a 2 percent overall increase for the year. This is based on an anticipated flat (zero) growth rate for Mainland and most foreign visitor markets, balanced against a 7 percent increase in Japan arrivals.

Construction will slow in 1991 as resort development begins to subside on the Neighbor Islands. Overall, about a 2.0 percent increase in real construction is anticipated for the year.

Overall job gains will moderate to about a 2.6 percent increase over 1990, with real personal income showing a 2.4 percent increase.

1992 and Beyond:

With the U.S. economy entering a cyclical turning point, predictions beyond 1991 become very problematical. Even assuming the national downturn runs its course by the middle of 1991, the quality and length of the subsequent recovery is not reasonably predictable. Therefore, the DBED forecast beyond 1991 is based on the expected long-term growth trend in the economy from 1992 through 1995. Actual economic activity will likely be somewhat above or below the long-term trend in any one year but should be close to it on average by the end of the period.

The long-run expectation for tourism growth from 1992 through 1995 is a 3.5 percent average annual increase in arrivals. The State-wide job growth will likely average slightly less than 2.5 percent for the period while real personal income should average about 2.3 percent for the period with real Gross State Product averaging a slightly lower 2.9 percent average.

Construction activity over the 1991 to 1995 period is not expected to match the exuberant growth of recent years as resort development subsides and the industry refocuses on other sources of activity, particularly housing. The transition will result in ups and downs in the industry with an overall real growth rate of only about 2 percent per year. Employment in construction may show no net gains over the period, however, due to expected increases in worker productivity. This should permit the modest increase in projected real construction activity to be accomplished by the current industry work force.

In summary, Hawaii should be able to ride out a mild Mainland recession without serious consequences for overall business activity or employment. Beyond the immediate prospect of a slowdown this year, the ensuing four years to mid-decade will likely see more modest economic growth than Hawaii has experienced in the last five years.

Table 1-2

SUMMARY OF HAWAII FORECAST FOR 1991

	Actual		Estimate		Forecast	
	1989	% Change	1990	% Change	1991	% Change
Gross State Product						
Millions of current dollars	24,997	12.8	27,924	11.7	30,405	8.9
Millions of constant 1982 dollars	19,114	7.4	20,235	5.9	20,786	2.7
GSP deflator index (1982=100)	130.8	5.0	138.0	5.5	146.3	6.0
Visitor arrivals (millions)	6.6	8.1	7.0	5.0	7.1	2.0
Consumer Price Index (CPI-U) (1982-84=100)	128.7	5.8	139.0	8.0	148.8	7.0
Personal Income						
Millions of current dollars	20,543	11.3	22,763	10.8	24,952	9.6
Millions of constant 1982 dollars	15,512	5.2	15,914	2.6	16,304	2.4
Total Jobs (thousands)	551.2	5.1	575.3	4.3	590.5	2.6
Construction, real value (constant 1972 dollars)	1,028.5	14.6	1,190.5	15.8	1,214.3	2.0

Source: Department of Business, Economic Development and Tourism, Hawaii Econometric Forecasting Project, December 1990.

Table 1-3

KEY ECONOMIC ASSUMPTIONS

	Actual		Estimated	Forecast				
	1988	1989	1990	1991	1992	1993	1994	1995
Honolulu CPI-U (1982-84=100)	121.7	128.7	139.0	148.8	156.2	164.0	172.2	180.8
Visitor arrivals (thous.)	6,142.4	6,641.8	6,968.8	7,108.2	7,357.0	7,614.4	7,880.9	8,156.8
Total population (thous.)	1,098.2	1,114.8	1,132.6	1,152.4	1,168.5	1,186.7	1,204.8	1,222.9
Mortgage rate (%)	10.5	10.5	10.0	10.0	10.0	10.0	10.0	10.0
Prime rate (%) 1/	9.3	10.9	10.0	10.0	10.0	10.0	10.0	10.0
Real GNP growth (%) 1/	4.5	2.5	1.0	0.5	2.6	2.7	2.7	2.5
Annual percent growth								
Honolulu CPI-U	5.9	5.8	8.0	7.0	5.0	5.0	5.0	5.0
Visitor arrivals	5.9	8.1	5.0	2.0	3.5	3.5	3.5	3.5
Total population	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.6

1/ "Blue Chip Economic Indicators" Consensus Forecast, October 10 and November 10, 1990.

Source: Department of Business, Economic Development and Tourism, Hawaii Econometric Forecasting Project, December 1990.

Table 1-4

PROJECTED PERSONAL INCOME AND COMPONENTS

	Actual		Estimate	Forecast				
	1988	1989	1990	1991	1992	1993	1994	1995
	CURRENT DOLLARS							
Millions of dollars								
Personal Income	18,459.4	20,542.9	22,763.3	24,952.2	26,834.6	28,806.2	30,918.6	33,163.8
Net Earnings of Residents	13,312.7	14,665.8	16,388.1	18,004.3	19,358.3	20,825.0	22,398.3	24,067.9
Labor Income	12,740.4	14,119.2	15,829.1	17,423.4	18,744.8	20,180.1	21,723.7	23,363.6
Wages & Salaries	11,755.0	13,004.4	14,564.9	16,021.4	17,223.7	18,532.7	19,941.2	21,436.8
Other	985.4	1,114.8	1,264.2	1,402.0	1,521.1	1,647.4	1,782.5	1,926.9
Proprietors' Income	1,445.3	1,541.9	1,697.6	1,850.4	1,994.8	2,146.4	2,305.2	2,473.5
Less: Social Insur. Taxes	(873.0)	(995.3)	(1,138.6)	(1,269.6)	(1,381.2)	(1,501.5)	(1,630.6)	(1,769.2)
Property Income	2,683.2	3,216.6	3,512.5	3,807.6	4,062.7	4,339.0	4,634.0	4,949.1
Transfer Payments	2,463.5	2,660.5	2,862.7	3,140.4	3,413.6	3,642.3	3,886.3	4,146.7
Annual percent growth								
Personal Income	9.8	11.3	10.8	9.6	7.5	7.3	7.3	7.3
Net Earnings of Residents	10.0	10.2	11.7	9.9	7.5	7.6	7.6	7.5
Labor Income	9.8	10.8	12.1	10.1	7.6	7.7	7.6	7.5
Wages & Salaries	10.0	10.6	12.0	10.0	7.5	7.6	7.6	7.5
Other	8.5	13.1	13.4	10.9	8.5	8.3	8.2	8.1
Proprietors' Income	13.6	6.7	10.1	9.0	7.8	7.6	7.4	7.3
Less: Social Insur. Taxes	14.0	14.0	14.4	11.5	8.8	8.7	8.6	8.5
Property Income	11.2	19.9	9.2	8.4	6.7	6.8	6.8	6.8
Transfer Payments	7.3	8.0	7.6	9.7	8.7	6.7	6.7	6.7
	CONSTANT DOLLARS							
Millions of 1982 dollars								
Personal Income	14,743.3	15,511.6	15,914.1	16,303.8	16,698.6	17,072.7	17,451.8	17,828.6
Net Earnings of Residents	10,632.7	11,073.9	11,457.1	11,764.0	12,046.3	12,342.4	12,642.6	12,938.7
Labor Income	10,175.6	10,661.1	11,066.3	11,384.5	11,664.5	11,960.2	12,261.8	12,560.1
Wages & Salarie	9,388.5	9,819.4	10,182.5	10,468.4	10,717.9	10,983.8	11,255.7	11,524.3
Other	787.0	841.8	883.8	916.1	946.6	976.4	1,006.1	1,035.9
Proprietors' Income	1,154.3	1,164.3	1,186.8	1,209.1	1,241.3	1,272.1	1,301.1	1,329.7
Less: Social Insur. Taxes	(697.3)	(751.5)	(796.0)	(829.5)	(859.5)	(889.9)	(920.4)	(951.1)
Property Income	2,143.0	2,428.8	2,455.6	2,487.9	2,528.1	2,571.6	2,615.6	2,660.6
Transfer Payments	1,967.6	2,008.9	2,001.3	2,051.9	2,124.2	2,158.7	2,193.6	2,229.2
Annual percent growth								
Personal Income	3.6	5.2	2.6	2.4	2.4	2.2	2.2	2.2
Net Earnings of Residents	3.8	4.1	2.8	2.5	2.4	2.3	2.3	2.3
Labor Income	3.7	4.8	3.8	2.9	2.5	2.5	2.5	2.4
Wages & Salarie	3.8	4.6	3.7	2.8	2.4	2.5	2.5	2.4
Other	2.4	7.0	5.0	3.6	3.3	3.1	3.0	3.0
Proprietors' Income	7.3	0.9	1.9	1.9	2.7	2.5	2.3	2.2
Less: Social Insur. Taxes	7.6	7.8	6.6	4.2	3.6	3.5	3.4	3.3
Property Income	5.0	13.3	1.1	1.3	1.6	1.7	1.7	1.7
Transfer Payments	1.3	2.1	-0.4	2.5	3.5	1.6	1.6	1.6

Source: Department of Business, Economic Development and Tourism; Hawaii Econometric Forecasting Project, December 1990

Table 1-5

PROJECTED EMPLOYMENT (JOBS) BY SECTOR

	Actual		Estimate	Forecast				
	1988	1989	1990	1991	1992	1993	1994	1995
Thousands								
TOTAL JOBS	524.5	551.2	575.3	590.5	604.8	619.5	633.9	648.2
Construction	23.4	29.2	31.3	31.3	31.3	31.3	31.3	31.3
Manufacturing	22.0	21.3	21.9	22.1	22.1	22.1	22.1	22.1
Durable	4.3	4.2	4.4	4.5	4.5	4.6	4.7	4.8
Nondurable	17.8	17.1	17.5	17.6	17.5	17.4	17.3	17.2
Food Processing	10.0	9.4	9.7	9.7	9.6	9.5	9.4	9.3
Other	7.8	7.8	7.8	7.9	7.9	7.9	7.9	7.9
Trans. Comm. & Utilities	38.0	40.2	41.2	41.7	42.4	43.2	44.1	44.9
Trade	127.5	133.0	139.4	143.5	147.6	151.8	156.0	160.1
Retail	106.8	111.0	116.3	119.5	122.9	126.5	130.2	133.9
Wholesale	20.8	22.0	23.1	24.0	24.7	25.3	25.8	26.3
Finance/Insur/Real Est.	34.5	35.1	36.1	37.1	38.1	39.3	40.4	41.5
Services	133.3	144.6	153.4	159.6	164.9	170.0	174.7	179.5
Hotels	34.4	37.0	38.3	38.4	39.1	39.8	40.5	41.3
Government	99.5	101.5	104.2	106.7	109.3	112.1	114.9	117.8
Federal	33.8	33.9	33.8	33.8	33.8	33.8	33.8	33.8
State & Local	65.7	67.7	70.4	72.9	75.5	78.3	81.1	84.0
Agricul. (wage & salary)	10.0	9.6	9.9	10.0	10.0	10.0	10.1	10.1
Sugar	3.7	3.3	3.3	3.3	3.2	3.1	3.0	2.9
Pineapple	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Diversified	4.6	4.5	4.7	4.8	4.9	5.0	5.2	5.3
Self-Employed	36.4	36.8	37.9	38.5	39.1	39.7	40.3	40.9
Annual percent growth								
TOTAL JOBS	4.0	5.1	4.4	2.6	2.4	2.4	2.3	2.3
Construction	10.4	24.8	7.2	0.0	0.0	0.0	0.0	0.0
Manufacturing	0.5	-3.2	2.8	0.9	0.0	0.0	0.0	0.0
Durable	2.4	-2.3	4.8	2.3	0.0	2.2	2.2	2.1
Nondurable	0.3	-3.7	2.3	0.6	-0.6	-0.6	-0.6	-0.6
Food Processing	-1.5	-6.0	3.7	0.0	-1.0	-1.0	-1.1	-1.1
Other	2.6	-0.6	0.6	1.3	-0.0	-0.0	0.0	-0.0
Trans. Comm. & Utilities	3.0	5.8	2.5	1.2	1.7	1.9	2.1	1.8
Trade	3.0	4.3	4.9	2.9	2.9	2.8	2.8	2.6
Retail	3.2	4.0	4.8	2.8	2.8	2.9	2.9	2.8
Wholesale	1.7	5.8	5.2	3.9	2.9	2.4	2.0	1.9
Finance/Insur/Real Est.	2.2	1.9	2.8	2.8	2.7	3.1	2.8	2.7
Services	6.1	8.5	6.1	4.0	3.3	3.1	2.8	2.7
Hotels	10.8	7.7	3.5	0.3	1.8	1.8	1.8	2.0
Government	3.5	2.0	2.7	2.4	2.4	2.6	2.5	2.5
Federal	3.0	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
State & Local	3.8	3.0	4.1	3.6	3.6	3.7	3.6	3.6
Agricul. (wage & salary)	-4.8	-4.0	3.1	1.0	0.0	0.0	1.0	0.0
Sugar	-2.6	-10.8	0.0	0.0	-3.0	-3.1	-3.2	-3.3
Pineapple	-7.9	5.7	2.7	0.0	0.0	0.0	0.0	0.0
Diversified	-5.2	-1.1	4.4	2.1	2.1	2.0	4.0	1.9
Self-Employed	5.7	1.1	3.1	1.6	1.6	1.5	1.5	1.5

Source: Department of Business, Economic Development and Tourism, Hawaii Econometric Forecasting Project, December 1990.

2 UPDATE ON THE CALIFORNIA MARKET

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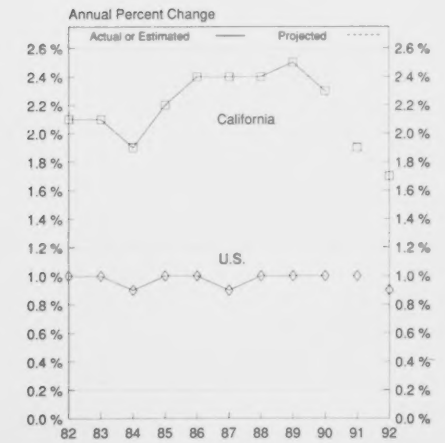
The health of California's economy can have considerable significance for both the nation and Hawaii. With 12 percent of the nation's population and 13 percent of the national economic output, California is the most economically powerful state in the nation. California is also Hawaii's closest state neighbor and that, combined with its size, has made that state one of Hawaii's two most important markets, eclipsing all other regional markets, except Japan.

However, it appears that at the very least, a slowing in the California economy is likely over the next year or two and this has implications for Hawaii's visitor industry and other export activity. To provide a better perspective on how California's problems may impact on Hawaii, this report profiles that state's economy, its outlook, and its relationship to Hawaii's economy.

ECONOMIC PROFILE OF CALIFORNIA

California is home for nearly 30 million people or around 12 percent of the nation's population. About 60 percent of California's population growth in the last decade resulted from net in-migration into the State (mostly foreign immigration). The State's population growth was more than twice the national rate through most of the 1980s (Figure 2-1). Overall, California had the eighth highest per capita personal income among the states in 1988, 14 percent higher than the national average. (Hawaii ranked in about the middle, 2 percent above the national average.)

Figure 2-1
Population Growth:
California vs. U.S.



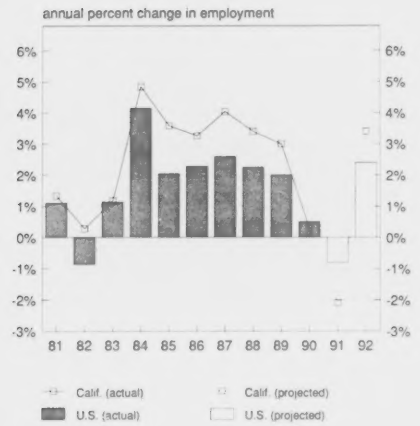
Source: UCLA Forecasting Project, December 1990

Due in large part to its size and geographic breadth, California's economy is quite diversified and self-contained. Unlike many states (notably Hawaii), California produces a good deal of the goods and services it consumes. The distribution of economic activity by industry in California is remarkably similar to the nation as a whole except for a slightly higher proportion of service activities.

Yet, within key industries California shows notable niche specialties. Manufacturing, which accounts directly for about 18 percent of California's economic activity (compared with 20 percent for the nation) is highly focused on high technology production, particularly aerospace and electronics. Much of manufacturing output has been produced for military use as well as for the air transport, space, and computer industries.

A result of California's role as a military hardware producer has been a significant dependence on Federal government expenditures, which totaled over $42 billion in fiscal year 1989. The State received over 20 percent of all U.S. Defense Department funds for prime contracts in 1989 ($23 billion), ranking it seventh in the nation on a per capita basis (Hawaii ranked 12th). In addition, California was the beneficiary of another $19 billion for other defense related expenditures including civilian and uniformed military pay.

Figure 2-2
Employment Growth:
California vs. the U.S.



Source: UCLA Forecasting Project
December 1990

Many of the same high technology firms which supply the Defense Department also serve the civilian market. A broad spectrum of high tech firms produce a wide range of computer and other electronic products for diverse industry and consumer application.

Apart from high technology manufacturing, California has developed a number of other niche industries. California is one of the nation's major agricultural producers, supplying about 17 percent of the value of the nation's agricultural crops in 1987. Tourism expenditures in California totaled a hefty $49 billion in 1989. California's legendary motion picture and entertainment industry supports a significant number of jobs in Southern California's economy. Finally, the major metropolitan centers of Los Angeles and San Francisco, are headquarters for a multitude of regional, national, and international corporations, as well as being the nation's foremost financial centers outside of New York.

There is considerable economic specialization by region in California. The major metropolitan centers account for the lion's share of labor force activity in the state. Almost 73 percent of the state's employment is based in the densely populated metropolitan areas of Los Angeles, San Francisco, and San Diego. The tri-county Los Angeles area alone accounts for more than 41 percent of total statewide employment.

Aerospace activity is centered in the Los Angeles area while computer technology development and manufacturing is most notable in the San Francisco Bay region (i.e., San Jose's Silicon Valley). The interior regions of the Sacramento and San Joaquin Valleys specialize in agricultural crops with forestry a major activity in Northern California. Tourism and recreation are major economic activities in San Diego and also contribute significantly to the coastal regions from Napa Valley above San Francisco to Los Angeles.

ECONOMIC PERFORMANCE IN THE 1980s

California weathered the 1981-82 national recession with only a modest decline in Gross State Product and no net loss in jobs. From 1983 to 1988 the California economy boomed, partly due to explosive growth of the computer industry, in which employment was accelerating even during the recession. Overall, California employment grew an average 3.5 percent per year, between 1982 and 1989, one and one-half times the national rate (Figure 2-2).

While strong growth continued throughout the 1980s, 1984 was actually the high water mark for the booming California economy. In 1985 a shake out and consolidations threw the computer industry into decline. Two years later in 1987 a worsening Federal budget deficit undercut growth in aerospace and that industry's employment began declining. The computer industry made a brief recovery in 1988 and 1989 but appeared to be declining again in 1990. Nevertheless, other sectors of the state's economy—construction, real estate, tourism, and entertainment, among others—helped sustain positive growth throughout most of the decade.

Eventually the fast pace of growth impacted on living costs in the State. Consumer price inflation in California exceeded the national average i

every year of the decade except 1983. At around $200,000 the 1989 median home sale price in California was over twice the national median.

By 1989 changing national defense priorities and a slowing national economy had caught up with California's economy. Employment growth slowed to only 2.3 percent in 1989, held down by a sluggish manufacturing sector and subdued Federal activity. Just within the past year, the pace of construction in California has slowed markedly and is expected to result in construction layoffs in 1991 and 1992.

CALIFORNIA'S IMPORTANCE TO HAWAII

Hawaii has a significant stake in the performance of the California economy. It is first and foremost one of Hawaii's two most important visitor markets, along with (and possibly rivaling in economic impact) the Japan market. Last year Californians accounted for about 20 percent of all visitors present in Hawaii on an average day, compared with only 12 percent accounted for by Japanese visitors. (Although about 20 percent of Hawaii's visitor arrivals are from Japan, their relatively short length of stay reduces their proportion in the daily visitor census.)

Due to the absence of authoritative data on the composition of their expenditures, it is not clear that the Japanese exceed the economic value of the California market, in spite of their high level of spending per visitor day. On the Neighbor Islands, the proportion of California visitors is probably much higher than the State average since the proportion of Japanese and other foreign visitors is lower.

Beyond tourism, California is probably a major market for Hawaii's direct exports. It is not readily possible to identify exports of Hawaii's goods and services on a state by state basis outside of tourism. However, assuming it purchases Hawaii's exports roughly in proportion to its size in the national economy, California probably accounts for between 10 and 15 percent of the U.S. market for Hawaii's exported goods and services.

Indirectly, California influences Hawaii's economy through its impact on the national economy. The strength or weakness of the California economy can make the difference between sluggish growth or recession for a weak U.S. economy and consequently affect the strength of Hawaii's entire U.S. market.

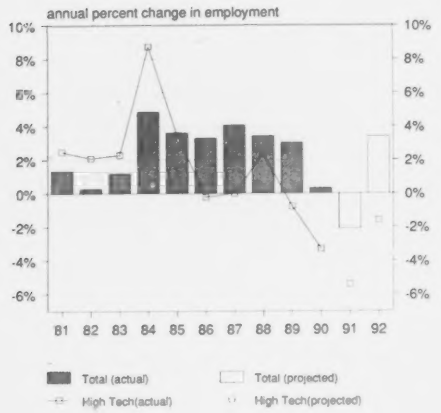
Clearly, California is important to Hawaii. But what are the sources of the problems facing this market, what is the outlook, and most importantly, what are the implications for Hawaii?

CALIFORNIA'S CURRENT CHALLENGES

Defense Cutbacks

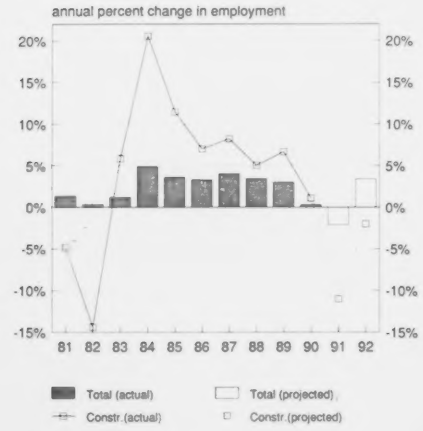
Apart from the deteriorating national economic situation, the most serious current challenge to California's economy is the decline in U.S. defense spending for bases, new weapons, and other military hardware. With the military threat from the Communist Bloc apparently waning, Congress has been looking toward deep reductions in military spending to help balance the budget and provide a "peace dividend" of resources to convert to domestic need. Such cutbacks

Figure 2-3
High Technology vs. Total Employment Growth: California



* Includes electronics and aerospace
Source: UCLA Forecasting Project
December 1990

Figure 2-4
Construction vs. Total Employment Growth: California



UCLA Forecasting Project
December 1990

could represent a permanent change in the economic structure of the many states like California which rely heavily on defense spending.

In early 1990, the Defense Department identified 16 military facilities in California for possible closure. Among the states, this total was exceeded only by Florida with 27 possible closures. (Only one minor closing was proposed for Hawaii.) These closures will negatively affect both military and civilian employment levels in California.

Of even more significance to the state, Congress and the Administration are looking at significant cuts in military weapons programs. Several of the nation's top weapons contractors are based in Southern California including Lockheed Corporation, Hughes Aircraft Co. and Northrop Aviation, while McDonnell-Douglas, the nation's largest defense contractor, has a substantial presence in the area. As previously indicated, California defense contractors shared nearly $23 billion in prime contracts in 1989 with other defense spending totaling $19 billion. Based on data from the California Department of Commerce (CDC), total jobs among defense agencies and defense contractors in California are estimated at over one million. The respending of this outside defense money by contractors and their employees probably supports at least an equal number of jobs in other industries in the state, bringing the total impact of defense spending to well over two million jobs.

According to the CDC, defense experts are anticipating cuts of 30 to 50 percent in military procurement spending over the next 10 years. At about 30,000 jobs per billion dollars of procurement, the CDC estimates California's potential direct loss at around 300,000 direct jobs over the period due to defense cutbacks. The potential loss of secondary jobs dependent on defense spending could easily double this figure in terms of total job losses to the State's economy as a whole.

As a taste of what might be to come for California, McDonnell-Douglas and Lockheed recently announced layoff plans totaling about 20,000 workers to be implemented before the end of 1990 as a result of current defense cutbacks. Further, Lockheed reportedly intends to transfer some existing work away from high-cost Southern California to Marietta, Georgia.

Economic analysts in California are divided on how well California can weather defense cuts. The CDC argues that California is only about half as reliant on defense spending as it was twenty years ago. It contends that growth in civilian aerospace business and the potential demand for the technological resources which would become available with less military demand would provide a cushion for defense cutbacks.

UCLA economists, on the other hand, worry that while the State's reliance on defense spending has decreased, its cost structure relative to other parts of the country has increased considerably. UCLA fears that long-term declines in defense contracts could trigger decisions by aerospace firms to transfer work out of the state to lower cost areas of the country. The key, both groups agree, is the timetable for bringing defense spending down to its appropriate long-term level in the post cold-war era. If it is gradual enough, the economy can probably adjust

without serious damage. On this point, the Iraqi invasion of Kuwait may have eased the potential impact of defense cuts in California. While it is unlikely that the Persian Gulf crisis will alter the long-term deemphasis on military spending, it may well slow the process, giving the California economy more time to adjust. (The UCLA outlook for high technology employment is shown in Figure 2-3.)

Construction Slowdown

Since 1983, construction employment has consistently out-paced overall employment growth in California (Figure 2-4). However, the value of both commercial and residential building permits fell in 1990 after strong growth in 1989. UCLA economists fear that overbuilding in the commercial sector may result in an even steeper decline for the industry in the near future.

California's construction industry employed 644,000 in 1989, making it nearly the size of aerospace activity and electronics manufacturing combined. As in these other industries, significant sums of outside capital are channeled into the California economy through the construction industry, supporting considerably more jobs in the economy as a whole than in construction activity alone. A significant decline in construction, therefore, would have a ripple effect throughout the economy, endangering perhaps as many jobs outside of the industry as within.

Other Problems

A number of other less severe problems are nipping at the heels of California's economy. Tourism has shown weakness this past year. Visits to national parks on the Pacific Coast (including Oregon and Washington) were down 5 percent for the first six months of 1990 and growth in hotel employment in California has slowed.

Drought continues to interfere with agricultural production in Southern California. Most irrigation districts in the State's productive southern San Joaquin Valley have been limiting water deliveries to farms. Total acreage harvested in the area was down at least 2 to 4 percent for 1990. Such a decline probably resulted in the loss of several thousand jobs at both the farm and processing levels for the year and exacerbated the unemployment situation in this region, which was nearly 9 percent in the third quarter of 1990.

Adding to the problems within California, of course, is the recessionary outlook for the national economy. As U.S. economic activity declines, California's exports to the rest of the nation will also slow, thereby reducing the opportunity to shift resources rendered surplus by declines in defense, manufacturing, and construction into expanding market sectors.

THE SHORT-TERM OUTLOOK

The decline of the national economy into a mild recession (at best) has prompted economists of the UCLA Forecasting Project to predict a decline in California economic activity in 1991, although less severe than nationally. Gross State Product in California will likely decline about 0.5 percent for the year. (UCLA expects the U.S. economy to decline 0.9 percent.) Jobs in California will be harder hit. Total

employment in the state is expected to decline 2.1 percent in 1991 (compared with 0.8 percent decline nationally) prompting a rise in the unemployment rate to 7.6 percent of the state's labor force.

Most of the negative economic impact will be felt in the areas of construction, high technology (including aerospace), and agriculture. Retail trade and finance will experience only minimal declines, while the huge service sector will actualy show a 2.0 percent increase in employment for 1991.

In 1992 California should bounce back with a vigorous 3.4 percent increase in employment, although high technology and construction will still show slight declines.

IMPLICATIONS FOR HAWAII

There appears to be clear down side risk in the California economy in the short run. A slowing in the state's economy over the next year due to the current fall off in construction and layoffs in aerospace is almost inevitable regardless of U.S. economic conditions. A drawn out national recession or sharper than anticipated reaction by the California economy to even a mild U.S. downturn could easily push the region into a more serious recession.

The consequences of a slowdown in California would likely impact negatively on visitor arrivals to Hawaii. Hawaii as a vacation spot has very high penetration in California, drawing large numbers of relatively budget conscious tourists. This, combined with the unsustainable, double-digit growth in visitor traffic from California in both 1989 and 1990, suggest that this may be a very vulnerable market over the next year or more. As an illustration of the potential impact, a 10 percent decline in visitors from California would reduce overall tourism to Hawaii by 2 percent, all other things remaining the same. In the event of declines in the California market, Hawaii would have to rely to a greater extent on other regions in the U.S. and foreign markets, particularly Japan. Fortunately, Japanese tourism is expected to do moderately well in 1991. Further, U.S. tourism to Hawaii tends not to react severely to transitory economic slowdowns.

Outside of visitor activity, Hawaii's dependence on the California market is not well documented. Hawaii's specialty agriculture and business services may not be as vulnerable to a California slowdown as visitor activity as long as there is still some real income growth in that market. A decline in California household income due to a recession, however, would certainly have some impact on nontourism export sectors in Hawaii.

Clearly the best hope for both the California and Hawaii economies is for a very mild and short economic decline at the national level. This would keep the slowdown in California from turning into a serious regional recession, and cushion the impact on Hawaii's tourism. Still, since a slowing in the California economy is almost inevitable in the next year or so, and the national downturn could be more serious than expected, marketing efforts among Hawaii's industries need to carefully monitor the California market and adjust marketing strategies accordingly.

3 INCOME AND PRICES

Total personal income in Hawaii increased 8.5 percent in the second quarter of 1990 as compared to the second quarter of 1989. This increase was well above the national increase of 5.9 percent during the same period. However, at least a portion of Hawaii's larger growth is offset by the higher rate of change in consumer prices locally as compared with the national average.

Figures released for the first half of 1990 show that the Honolulu Consumer Price Index for all urban consumers (CPI-U) rose at its fastest rate since data were first gathered on a semi-annual basis in the mid-1980s. The CPI-U rose 7.2 percent from a year earlier compared to a national increase of 4.9 percent during the same period. On a six month basis, prices in Honolulu rose 3.4 percent from the second half of 1989 to the first half of this year; nationally, the figure was 2.7 percent.

The CPI-U increase in prices was led by medical care costs which increased 10.1 percent over the period ending in the first half of this year. Two other major categories were responsible for pushing the overall CPI-U up: food and beverage prices rose 8.8 percent, and the housing component increased 8.5 percent over the year. These two latter groups accounted for about three-quarters of the overall CPI-U increase.

Energy costs were not a significant factor in the first-half CPI-U rise. Undoubtedly the recent surge in petroleum costs will be reflected in the next CPI-U report for Honolulu to be released early in 1991, covering the second half of 1990.

The Bureau of Economic Analysis recently released revised 1989 estimates for personal income in Hawaii. Per capita personal income in Hawaii was revised upward to $18,472, an increase of 9.7 percent over 1988 figures. This made Hawaii the third fastest growing state in terms of per capita income.

Table 3-1

TOTAL PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

Year	Total Personal income 1/ (millions of dollars)		Percent change from same period in previous year	
	United States	Hawaii	United States	Hawaii
1980	2,254,076	10,279	11.1	13.8
1981	2,514,231	11,051	11.5	7.5
1982	2,663,432	11,732	5.9	6.2
1983	2,834,385	12,875	6.4	9.7
1984	3,101,163	13,628	9.4	5.8
1985	3,317,545	14,589	7.0	7.1
1986	3,519,364	15,607	6.1	7.0
1987	3,754,396	16,814	6.7	7.7
1988	4,058,655	18,459	8.1	9.8
1989	4,368,129	20,543	7.8	11.3
1986: 1 Q	3,449,599	15,207	5.9	6.4
2 Q	3,506,709	15,441	6.3	6.7
3 Q	3,532,510	15,730	6.3	7.6
4 Q	3,588,638	16,051	5.8	7.6
1987: 1 Q	3,659,131	16,248	6.1	6.8
2 Q	3,705,016	16,568	5.7	7.3
3 Q	3,766,088	16,956	6.6	7.8
4 Q	3,887,349	17,487	8.3	8.9
1988: 1 Q	3,940,129	17,888	7.7	10.1
2 Q	4,022,465	18,186	8.6	9.8
3 Q	4,095,777	18,589	8.8	9.6
4 Q	4,176,250	19,174	7.4	9.6
1989: 1Q	4,287,087	19,764	8.8	10.4
2 Q	4,347,177	20,294	8.1	11.6
3 Q	4,385,348	20,838	7.1	12.1
4Q	4,452,904	21,277	6.6	11.0
1990: 1Q	4,546,227	21,671	6.0	9.6
2Q	4,605,604	22,025	5.9	8.5

1/ Quarterly income seasonally adjusted at annual rates.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, release dated October, 1990.

Table 3-2

TOTAL AND PER CAPITA DISPOSABLE PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1989

Year	Disposable personal income (millions of dollars)		Per capita disposable income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	1,914,331	8,776	8,424	9,065	108
1981	2,121,830	9,418	9,240	9,608	104
1982	2,255,123	10,213	9,721	10,237	105
1983	2,424,880	11,100	10,350	10,898	105
1984	2,662,051	11,886	11,257	11,475	102
1985	2,832,081	12,606	11,863	12,011	101
1986	3,007,642	13,527	12,474	12,717	102
1987	3,184,037	14,365	13,080	13,276	101
1988	3,468,342	15,669	14,111	14,294	101
1989	3,710,716	17,331	14,948	15,584	104
Percent change from previous year					
1980	11.0	13.8	9.7	11.7	1.8
1981	10.8	7.3	9.7	6.0	-3.4
1982	6.3	8.4	5.2	6.5	1.3
1983	7.5	8.7	6.5	6.5	0.0
1984	9.8	7.1	8.8	5.3	-3.2
1985	6.4	6.1	5.4	4.6	-0.7
1986	6.2	7.3	5.2	5.9	0.8
1987	6.3	6.4	5.2	4.6	-1.4
1988	8.5	9.7	7.5	8.1	0.6
1989	7.0	10.6	5.9	9.0	3.0

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System release, August 1990.

Table 3-3

TOTAL AND PER CAPITA PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1989

Year	Total personal income (millions of dollars)		Per capita personal income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	2,254,076	10,279	9,919	10,617	107
1981	2,514,231	11,051	10,949	11,273	103
1982	2,663,432	11,732	11,480	11,759	102
1983	2,834,385	12,875	12,098	12,641	104
1984	3,101,163	13,628	13,114	13,157	100
1985	3,317,545	14,589	13,896	13,900	100
1986	3,519,364	15,607	14,597	14,673	101
1987	3,754,396	16,814	15,423	15,540	101
1988	4,058,655	18,459	16,513	16,840	102
1989	4,368,129	20,543	17,596	18,472	105
Percent change from previous year					
1980	11.1	13.8	9.8	11.7	1.7
1981	11.5	7.5	10.4	6.2	-3.8
1982	5.9	6.2	4.8	4.3	-0.5
1983	6.4	9.7	5.4	7.5	2.0
1984	9.4	5.8	8.4	4.1	-4.2
1985	7.0	7.1	6.0	5.6	-0.1
1986	6.1	7.0	5.0	5.6	0.5
1987	7.0	7.8	6.0	6.0	0.0
1988	7.6	9.2	6.6	7.7	1.2
1989	7.6	11.7	6.6	9.8	2.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System, release August 1990.

Table 3-4

CONSUMER PRICE INDEX ALL URBAN CONSUMERS (CPI-U) FOR SELECTED ITEMS FOR HONOLULU: 1980 TO 1990

(1982-84 = 100)

Period	All items	Food & beverage	Housing 1/	Apparel and upkeep	Transportation	Medical care	Entertainment	Other
1980	83.0	84.2	83.2	89.8	86.6	73.1	78.2	73.3
1981	91.7	92.6	92.3	94.5	95.7	81.8	87.2	81.5
1982	97.2	96.9	98.0	98.4	99.0	91.6	95.7	92.0
1983	99.3	99.5	98.9	101.4	98.2	101.1	100.0	101.4
1984	103.5	103.6	103.1	100.2	102.9	107.3	104.3	106.6
1985	106.8	107.8	106.0	99.6	104.9	113.2	111.9	112.5
1986	109.4	110.0	108.4	99.8	105.2	122.3	113.2	119.6
1987	114.9	114.1	115.0	102.5	109.7	127.9	118.6	129.7
1988	121.7	120.3	123.0	106.8	116.1	132.5	122.9	137.1
1989	128.7	128.1	131.1	104.3	123.9	139.3	124.3	146.1
1989:								
1st half	126.4	125.6	128.1	106.1	121.8	136.0	124.0	142.7
2nd half	131.1	130.6	134.1	102.5	126.0	142.7	124.6	149.4
1990:								
1st half	135.5	136.6	139.0	106.2	127.3	149.8	125.7	155.2
Percent change from same period in previous year								
1981	10.5	10.0	10.9	5.2	10.5	11.9	11.5	11.2
1982	6.0	4.6	6.2	4.1	3.4	12.0	9.7	12.9
1983	2.2	2.7	0.9	3.0	-0.8	10.4	4.5	10.2
1984	4.2	4.1	4.2	-1.2	4.8	6.1	4.3	5.1
1985	3.2	4.1	2.8	-0.6	1.9	5.5	7.3	5.5
1986	2.4	2.0	2.3	0.2	0.3	8.0	1.2	6.3
1987	5.0	3.7	6.1	2.7	4.3	4.6	4.8	8.4
1988	5.9	5.4	7.0	4.2	5.8	3.6	3.6	5.7
1989	5.8	6.5	6.6	-2.3	6.7	5.1	1.1	6.6
1st half	5.2	5.6	5.8	0.4	6.7	4.4	0.7	5.7
2nd half	6.2	7.3	7.4	-5.1	6.8	5.9	1.5	7.3
1990								
1st half	7.2	8.8	8.5	0.1	4.5	10.1	1.4	8.8

1/ Change in calculation in 1983—housing costs measured in rental equivalence (what owners would have to pay if they rented their homes).

Source: U.S. Department of Labor, Bureau of Labor Statistics.

4 EMPLOYMENT

Hawaii continued to maintain a healthy increase in job creation through mid year with moderate increases in wage and salary jobs combined with a sharp increase in the number of self employed in the State. According to preliminary estimates, the total number of jobs in the State was up 2.6 percent in the third quarter of 1990 over the same quarter in 1989. The estimates showed an average of nearly 568,200 jobs in the third quarter.

Among the major employment sectors, jobs in non-agricultural self employed showed the strongest gain, increasing 10.8 percent from the previous year. This sector was followed by service jobs, up 4.0 percent; this category includes hotel jobs which were up 3.2 percent.

Manufacturing showed a 2.4 percent decline for the year ending in the third quarter, and construction jobs were down 4.2 percent. Retailing jobs showed only a 0.5 percent increase over the same period; and finance, insurance and real estate jobs were up a modest 2.7 percent.

The estimate of the number of self-employed persons in non-agricultural jobs throughout Hawaii soared to more than 38,000 in the third quarter. It is not clear whether this growth represents new business growth or simply a technical shift in employment status of some existing workers.

All counties with the exception of Kauai showed increases in the number of non-agricultural wage and salary jobs for the four quarters ending in the third quarter of 1990. The County of Maui showed the largest increase compared with a year ago with a jobs growth of 3.3 percent. Kauai with a 0.6 percent decrease was the only county which lost jobs.

(Data users are cautioned that preliminary estimates of jobs, based on sampling data, are often revised significantly as the more reliable but delayed employment-based data replace them.)

The State's unemployment rate of 2.7 percent in the third quarter of 1990 was up from 1.9 percent a year earlier. The unemployment rate fell on all islands except Kauai which showed an increase from 2.0 percent in the third quarter of last year to 3.5 percent in the same period in 1990. The Big Island retained the highest unemployment rate at 3.8 percent of the labor force. The City and County of Honolulu continued to have the lowest rate at 2.5 percent.

Table 4-1

CIVILIAN LABOR FORCE AND EMPLOYMENT, BY COUNTY: 1980 TO 1990

(Number of persons)

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian labor force:					
1980	439,000	338,350	43,550	19,550	37,550
1981	451,000	345,700	45,450	20,100	39,750
1982	461,000	350,100	47,200	20,800	42,850
1983	472,000	357,100	48,350	21,650	44,900
1984	472,000	357,150	48,650	21,300	44,900
1985	479,000	359,600	50,400	22,050	46,950
1986	492,000	368,700	51,350	23,400	48,600
1987	514,000	383,400	54,050	24,900	51,600
1988	518,000	383,750	54,500	26,000	53,800
1989	524,000	384,500	56,900	27,600	55,000
1989: 1 Q	518,800	380,800	56,300	27,150	54,600
2 Q	526,350	385,950	57,150	27,550	55,750
3 Q	522,900	382,850	57,200	27,750	55,100
4 Q	527,950	388,450	57,050	27,900	54,550
1990: 1 Q	529,400	390,000	57,450	27,700	54,250
2 Q	539,700	396,500	58,950	27,900	56,300
3 Q	537,350	392,350	59,650	28,350	57,000
Civilian employment:					
1980	418,000	322,800	40,850	18,700	35,650
1981	427,000	328,500	42,150	18,900	37,450
1982	430,000	328,600	42,700	19,150	39,550
1983	442,000	336,550	44,050	20,000	41,450
1984	445,000	338,050	44,950	19,800	42,250
1985	452,000	341,150	46,150	20,550	44,150
1986	468,000	352,500	47,500	22,000	46,050
1987	494,000	369,850	50,950	23,850	49,350
1988	502,000	373,150	51,800	25,050	52,000
1989	511,000	375,950	54,700	26,800	53,550
1989: 1 Q	504,450	371,500	53,750	26,200	53,000
2 Q	511,650	376,350	54,450	26,700	54,150
3 Q	512,950	376,200	55,450	27,250	54,100
4 Q	514,950	379,650	55,200	27,050	53,000
1990: 1 Q	513,500	379,100	55,100	26,550	52,750
2 Q	525,400	387,250	56,400	26,950	54,750
3 Q	523,000	382,650	57,350	27,350	55,350

Note: All quarterly data are not seasonally adjusted.

Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-2

CIVILIAN UNEMPLOYED AND UNEMPLOYMENT RATE, BY COUNTY: 1980 TO 1990

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian unemployed (persons):					
1980	21,000	15,550	2,700	850	1,900
1981	24,000	17,150	3,350	1,150	2,350
1982	31,000	21,500	4,500	1,700	3,300
1983	30,000	20,600	4,350	1,650	3,450
1984	27,000	19,100	3,750	1,500	2,700
1985	27,000	18,450	4,250	1,500	2,800
1986	24,000	16,200	3,850	1,400	2,550
1987	20,000	13,550	3,100	1,100	2,250
1988	16,000	10,550	2,700	950	1,750
1989	13,000	8,550	2,200	800	1,450
1989: 1 Q	14,400	9,300	2,550	950	1,600
2 Q	14,700	9,550	2,700	800	1,600
3 Q	9,950	6,600	1,750	550	1,000
4 Q	12,950	8,800	1,800	800	1,500
1990: 1 Q	15,900	10,850	2,350	1,150	1,500
2 Q	14,300	9,250	2,550	950	1,550
3 Q (p)	14,450	9,650	2,250	950	1,600
Unemployment rate (percent):					
1980	4.8	4.6	6.2	4.2	5.1
1981	5.3	5.0	7.3	5.8	5.9
1982	6.7	6.1	9.5	8.1	7.7
1983	6.3	5.7	8.9	7.7	7.6
1984	5.7	5.4	7.7	7.0	6.0
1985	5.6	5.1	8.5	6.8	5.9
1986	4.9	4.4	7.5	6.0	5.2
1987	3.9	3.5	5.7	4.3	4.4
1988	3.1	2.7	4.9	3.7	3.3
1989	2.5	2.3	3.9	2.9	2.6
1989: 1 Q	2.8	2.4	4.5	3.4	2.9
2 Q	2.8	2.7	5.0	3.2	2.9
3 Q	1.9	1.7	3.0	2.0	1.9
4 Q	2.5	2.2	3.2	2.9	2.8
1990: 1 Q	3.0	2.8	4.1	4.2	2.8
2 Q	2.7	2.3	4.3	3.4	2.8
3 Q (p)	2.7	2.5	3.8	3.5	2.8

Note: Detail may not add to total due to rounding.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-3

TOTAL JOBS: 1980 TO 1990

Year	Total jobs 1/	Nonagriculture			Agriculture			Labor disputes
		Total	Wage & salary	Self-employed	Total	Wage & salary	Self-employed	
1980	448,300	432,400	404,100	28,300	15,400	10,800	4,600	500
1981	449,900	433,950	404,800	29,150	15,850	11,500	4,350	100
1982	446,100	430,700	399,400	31,300	15,300	11,300	4,000	100
1983	453,800	438,550	406,250	32,300	15,100	11,200	3,900	150
1984	461,000	446,100	412,650	33,450	14,450	10,800	3,650	450
1985	473,200	459,150	425,750	33,400	13,950	10,450	3,500	100
1986	486,850	473,300	438,550	34,750	13,350	10,150	3,200	200
1987 2/	504,950	490,650	459,950	30,700	14,250	10,550	3,700	50
1988	524,500	510,800	478,050	32,750	13,600	10,000	3,600	100
1989	551,200	538,050	504,800	33,250	13,100	9,600	3,500	50
1989: 1 Q	539,200	526,650	495,450	31,200	12,550	9,250	3,300	-
2 Q	549,800	536,600	503,050	33,550	13,200	9,700	3,500	-
3 Q	553,900	540,050	505,400	34,650	13,850	10,150	3,700	-
4 Q	561,900	548,900	515,250	33,650	12,950	9,350	3,600	50
1990: 1 Q	565,700	551,300	515,050	36,250	11,950	8,900	3,050	2,450
2 Q	571,450	558,900	520,850	38,050	12,550	9,400	3,150	-
3 Q (p)	568,250	553,700	515,300	38,400	14,500	10,550	3,950	50
Percent change from the same period in previous year								
1980	3.2	3.4	2.6	16.2	1.0	0.5	2.2	
1981	0.4	0.4	0.2	3.0	2.9	6.5	-5.4	
1982	-0.8	-0.7	-1.3	7.4	-3.5	-1.7	-8.0	
1983	1.7	1.8	1.7	3.2	-1.3	-0.9	-2.5	
1984	1.6	1.7	1.6	3.6	-4.3	-3.6	-6.4	
1985	2.6	2.9	3.2	-0.1	-3.5	-3.2	-4.1	
1986	2.9	3.1	3.0	4.0	-4.3	-2.9	-8.6	
1987	(NC)	(NC)	4.9	(NC)	6.7	3.9	15.6	
1988	3.9	4.1	3.9	6.7	-4.6	-5.2	-2.7	
1989	5.1	5.3	5.6	1.5	-3.7	-4.0	-2.8	
1989: 1 Q	4.9	5.1	5.3	2.0	-4.9	-5.1	-4.3	
2 Q	4.8	5.0	5.5	-2.2	0.4	0.0	1.4	
3 Q	5.5	5.8	6.0	2.4	-2.1	-3.3	1.4	
4 Q	5.2	5.5	5.5	4.5	-5.5	-6.0	-4.0	
1990: 1 Q	4.9	4.7	4.0	16.2	-4.8	-3.8	-7.6	
2 Q	3.9	4.2	3.5	13.4	-4.9	-3.1	-10.0	
3 Q (p)	2.6	2.5	2.0	10.8	4.7	3.9	6.8	

Note: Detail may not add to total due to rounding.

p Preliminary.

NC Not comparable.

1/ Total of wage and salary jobs and self-employed in agricultural and nonagricultural industries plus those jobs involved in labor disputes.

2/ Revision in methodology affecting non-agricultural self-employed from 1987. Data and subtotals not comparable to previous years.

Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-4

NUMBER OF JOBS, BY INDUSTRY: 1988 TO 1990

Series	1988	1989	3 Q 1990(p)	Percent change from previous year		
				1988	1989	3 Q 1990 (p)
Total jobs 1/	524,500	551,150	568,250	3.9	5.1	2.6
Non-agricultural wage and salary jobs	478,050	504,800	515,300	3.9	5.6	2.0
Construction	23,400	29,200	29,300	10.4	24.8	-4.2
Manufacturing	22,000	21,300	20,750	0.5	-3.2	-2.4
Durable goods	4,250	4,200	4,100	7.6	-1.2	-3.5
Nondurable goods	17,750	17,100	16,600	-1.1	-3.7	-2.4
Food processing	9,950	9,350	9,150	0.0	-6.0	-1.6
Sugar processing	2,850	2,500	2,450	-6.6	-12.3	0.0
Pineapple processing	2,050	1,750	1,450	0.0	-14.6	-17.1
Other food processing	5,050	5,100	5,200	5.2	1.0	2.0
Transportation, comm un., utilities	38,000	40,200	41,850	3.3	5.8	2.7
Trade	127,450	132,950	135,100	3.0	4.3	0.7
Wholesale	20,750	21,950	22,600	1.7	5.8	1.8
Retail	106,750	111,000	112,500	3.2	4.0	0.5
Finance, insurance, real estate	34,450	35,100	36,250	2.2	1.9	2.7
Services	133,250	144,600	151,400	5.3	8.5	4.0
Hotels	34,350	37,000	38,150	9.9	7.7	3.2
Government	99,500	101,450	100,650	3.6	2.0	3.0
Federal	33,800	33,850	34,100	3.0	0.1	1.0
State	51,850	53,550	51,300	3.9	3.3	4.7
Local	13,850	14,100	15,250	3.4	1.8	1.3
Agriculture (wage & salary)	10,000	9,600	10,550	-5.2	-4.0	3.9
Sugar	3,700	3,300	3,150	-2.6	-10.8	-6.0
Pineapple	1,750	1,850	2,100	-7.9	5.7	0.0
Diversified agriculture	4,550	4,500	5,250	-5.2	-1.1	11.7
Nonagric. self-employed 2 /	32,750	33,250	38,400	6.7	1.5	10.8
Agricultural self-employed 2/	3,600	3,500	3,950	-2.7	-2.8	6.8
Labor disputes	100	-	50	100.0	-100.0	-

p Preliminary.

1/ Total of nonagricultural and agricultural wage and salary, self-employed, and jobs involved in labor disputes.

2/ Self-employed includes unpaid family workers and domestics.

Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-5

NON-AGRICULTURAL WAGE AND SALARY JOBS, BY COUNTY: 1980 TO 1990

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
1980	404,100	333,050	28,450	15,150	27,500
1981	404,800	332,300	28,850	15,200	28,450
1982	399,400	325,700	28,700	15,150	29,900
1983	406,250	330,100	29,350	15,700	31,100
1984	412,650	334,400	30,400	15,750	32,150
1985	425,750	342,300	32,250	16,700	34,550
1986	438,550	351,450	33,150	17,900	36,050
1987	459,950	366,550	35,300	19,300	38,850
1988	478,050	378,150	37,100	21,000	41,850
1989	504,800	395,600	41,050	23,350	44,750
1989: 1 Q	495,450	388,500	40,100	22,750	44,100
2 Q	503,050	394,200	40,700	23,150	45,000
3 Q	505,400	395,350	41,400	23,650	45,000
4 Q	515,250	404,400	42,000	23,900	45,000
1990: 1 Q	515,050	403,650	42,400	23,550	- 45,450
2 Q	520,850	408,400	42,700	23,450	46,300
3 Q (p)	515,300	402,600	42,700	23,500	46,500
Percent change from same period in previous year					
1980	2.6	2.2	2.9	6.1	4.3
1981	0.2	-0.2	1.4	0.6	3.5
1982	-1.3	-2.0	-0.5	-0.6	5.0
1983	1.7	1.4	2.3	3.9	4.0
1984	1.6	1.3	3.6	0.3	3.4
1985	3.2	2.4	6.0	6.0	7.4
1986	3.0	2.7	2.9	7.2	4.4
1987	4.9	4.3	6.4	7.9	7.8
1988	3.9	3.2	5.1	8.8	7.7
1989	5.6	4.6	10.6	11.2	6.9
1989: 1 Q	5.3	4.2	11.3	11.3	7.3
2 Q	5.5	4.3	11.8	11.1	8.3
3 Q	6.0	4.9	11.6	12.3	7.4
4 Q	5.5	5.1	8.2	10.1	5.1
1990 :1 Q	4.0	3.9	5.8	3.5	3.1
2 Q	3.5	3.6	4.9	1.3	2.9
3 Q (p)	2.0	1.8	3.1	-0.6	3.3

p Preliminary.

Source: Hawaii State Department of Labor and Industrial Relations.

5 BUSINESS ACTIVITY

While growth on the U.S. Mainland remained weak, the Hawaiian economy continued to perform well through mid year. Total value of business transactions subject to State excise and use tax continued to grow at double-digit rates. In the third quarter of 1990, these transactions increased by 18.9 percent over the comparable period a year before. This increase was led by the manufacturing sector with a 22.7 percent increase and the services sector with a 22.2 percent increase.

Collections of general excise and use taxes increased 15 percent during the third quarter as compared with the same 1989 period. Collections of individual income taxes rose during the third quarter by 22 percent.

Another indicator of the strength of the local economy is a recent assessment of banks across the nation performed by Alex Shesunoff and Company. As of March 31, 1990, Hawaii's banks had, as a group, the lowest percentage of delinquent loans in the nation. Assets in Hawaii's banks grew 4 percent in the first quarter of 1990, the second fastest rate in the nation, while earnings increased by 9.8 percent over last year. These figures all indicate that Hawaii's economy remains strong.

Table 5-1

VALUE OF BUSINESS TRANSACTIONS SUBJECT TO STATE EXCISE AND USE TAX: 1982 TO 1990 (Millions of Dollars)

Year	Total taxable transactions	Selected industry transactions				
		Retailing	Services	Hotel rental	Diversified agriculture	Manufacturing 1/
1982	20,722.1	7,043.6	1,976.2	875.5	176.8	544.3
1983	21,416.8	7,458.8	2,128.5	858.2	221.6	502.3
1984	23,879.9	8,182.7	2,396.1	1,008.6	257.6	530.1
1985	24,630.3	8,605.2	2,529.7	1,153.4	251.6	538.3
1986	26,335.2	9,206.7	2,786.1	1,227.2	258.8	565.4
1987	29,232.3	10,010.4	3,057.4	1,434.8	264.1	588.3
1987 2/	28,072.4	9,356.7	2,856.2	1,346.5	264.1	588.3
1988	31,833.9	10,501.7	3,337.6	1,429.3	308.2	606.7
1989	36,106.5	11,693.5	3,611.5	1,486.5	319.0	657.9
1 Q	9,311.7	3,098.4	957.3	418.1	89.5	183.1
2 Q	8,909.5	2,851.3	934.3	357.0	79.6	161.1
3 Q	8,932.5	2,948.5	907.7	376.0	72.0	158.7
4 Q	8,952.8	2,795.3	912.2	335.4	77.9	155.0
1990: 1 Q	10,271.8	3,351.3	1,095.2	450.9	93.6	172.8
2 Q	10,364.3	3,269.4	1,127.9	400.6	77.1	195.9
3 Q	10,616.5	3,326.6	1,109.3	403.9	75.4	202.7
Percent change from same period in previous year						
1982	3.4	5.3	10.3	15.3	2.0	-11.6
1983	-0.9	5.9	7.7	-2.0	25.3	-7.7
1984	11.5	9.7	12.6	17.5	16.2	5.5
1985	3.1	5.2	5.6	14.4	-2.4	1.5
1986	6.9	7.0	10.1	6.4	2.9	5.0
1987	11.0	8.7	9.7	16.9	2.1	4.0
1988	13.4	12.2	16.9	6.1	16.7	3.1
1989	13.4	11.3	8.2	4.0	3.5	8.4
1 Q	11.5	10.6	13.6	-0.8	5.0	17.4
2 Q	14.6	9.9	11.4	7.5	4.3	0.2
3 Q	9.8	9.4	10.0	4.8	1.0	8.9
4 Q	18.1	16.0	9.8	5.9	3.3	7.5
1990: 1 Q	10.3	8.2	14.4	7.8	4.6	-5.6
2 Q	16.3	14.7	20.7	12.2	-3.1	21.6
3 Q	18.9	12.8	22.2	7.4	4.7	27.7

Note: This series derived by lagging reported excise tax base data one month to adjust for reporting delay.

1/ Excludes sugar processing and pineapple canning. Manufacturing goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1989.

2/ The Department of Taxation has revised the method of reporting the taxable base by industry. Before 1988, nonspecified industry transactions were allocated to five major tax activities—retailing, services, contracting, hotel rentals, and all other rentals. Data for 1987 show results of both methods. Percentages are based on comparable series.

Source: Hawaii State Department of Taxation.

Table 5-2

COLLECTIONS OF SELECTED STATE TAXES AND GENERAL FUND TAX REVENUES: 1982 TO 1990 (Thousands of Dollars)

Year	General excise and use tax 1/	Net individual income tax 2/	Net corporate income tax 3/	Tax revenues distributed to State General Fund 4/
1982	574,590	296,757	34,785	1,011,465
1983	615,536	358,072	27,960	1,109,876
1984	669,805	413,885	39,681	1,240,352
1985	707,381	446,358	44,075	1,325,791
1986	777,961	490,185	46,216	1,486,484
1987	869,039	574,729	67,272	1,731,226
1988	965,953	680,789	63,094	1,949,103
1989	1,096,476	801,999	72,677	2,157,005
1 Q	270,801	205,080	23,520	554,240
2 Q	270,683	211,019	24,710	593,091
3 Q 4/	272,645	176,719	18,756	441,009
4 Q	282,347	209,182	5,690	568,663
1990: 1 Q	313,128	201,604	22,506	595,969
2 Q	308,587	107,591	27,904	530,495
3 Q	314,328	215,990	29,076	531,250
Percent change from same period in previous year				
1982	-0.1	-15.1	-20.2	-5.5
1983	7.1	20.7	-19.6	9.7
1984	8.8	15.6	41.9	11.8
1985	5.6	7.8	11.1	6.9
1986	10.0	9.8	4.9	12.1
1987	11.7	17.2	45.6	16.5
1988	11.2	18.5	-6.2	12.6
1989	13.5	17.8	15.2	10.7
1 Q	12.6	28.7	29.7	18.9
2 Q	11.9	24.1	18.5	15.3
3 Q 4/	13.0	4.6	15.6	-8.8
4 Q	16.6	14.6	-27.8	17.3
1990: 1 Q	15.6	-1.7	-4.3	7.5
2 Q	14.0	-49.0	12.9	-10.6
3 Q	15.3	22.2	55.0	20.5

Note: This series represents data as reported by the Department of Taxation, without adjustment.

1/ Manufactured goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1988.

2/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.

3/ Declaration of estimated taxes, plus payments with returns, less refunds.

4/ Excludes non-tax sources. The State General Fund for the 3rd quarter of 1989 declined due to a new $90 million allocation to the State Education Special Fund. Act 368 adopted by the 1989 State Legislature requires allocation of $90 million annually. Without this special allocation, general fund would have increased by 9.8 percent.

Source: Hawaii State Department of Taxation.

Table 5-3

DEFENSE EXPENDITURES BY SERVICE: 1980 TO 1990 (Millions of Dollars)

Year or quarter	Total	Navy and Marine 1/	Army	Air Force	Coast Guard
1980	1,317.4	711.3	441.8	141.7	22.7
1981	1,449.3	770.4	493.8	158.3	26.7
1982	1,693.4	878.2	611.5	173.7	29.9
1983	1,848.2	935.9	702.7	182.6	27.0
1984	1,867.2	948.2	685.2	207.6	26.2
1985	1,965.4	955.3	780.4	201.0	28.7
1986	1,784.9	892.0	658.6	202.4	31.9
1987	1,857.0	871.5	744.3	212.4	28.8
1988	1,892.4	780.3	857.2	224.6	30.3
1989	2,038.0	860.2	924.0	223.2	30.6
1989: 1 Q	493.5	207.8	223.0	55.1	7.6
2 Q	485.2	193.1	226.9	57.4	7.7
3 Q	551.8	240.5	242.7	60.9	7.8
4 Q	507.7	218.7	231.4	49.8	7.6
1990: 1 Q	554.0	227.4	232.1	86.8	7.7
Percent change from same period in previous year					
1980	7.8	11.0	2.8	9.6	2.7
1981	10.0	8.3	11.8	11.7	17.6
1982	16.8	14.0	23.8	9.7	12.0
1983	9.1	6.6	14.9	5.1	-9.7
1984	1.0	1.3	-2.5	13.7	-2.7
1985	5.3	0.7	13.9	-3.1	9.6
1986	-9.2	-6.6	-15.6	0.7	11.1
1987	4.0	-2.3	13.0	4.9	-10.0
1988	1.9	-10.5	15.2	5.7	5.6
1989	NC	NC	7.8	-0.6	1.0
1989: 1 Q	5.4	7.0	6.7	-4.9	10.8
2 Q	3.4	-0.8	8.4	1.2	-8.4
3 Q	NC	NC	8.8	5.9	4.0
4 Q	NC	NC	7.2	-5.0	4.0
1990: 1 Q	NC	NC	4.1	57.5	1.3

NC Not comparable.

1/ Since December 1985, Navy data partly estimated due to change in reporting method and may not reflect all local purchases.

Source: Quarterly reports from armed forces, compiled by DBED.

6 THE VISITOR INDUSTRY

Total visitor arrivals for the first eleven months of 1990 numbered more than 6.3 million, a 4.9 percent increase over the comparable period in 1989. Overall, for the first eleven months of 1990, eastbound visitors were up 14.6 percent over last year's first eleven months.

Westbound arrivals for the first eleven months of the year were just 1.0 percent above the 1989 level. Further, only Hawaii County showed a net increase in westbound visitors during this period. Oahu showed no growth in westbound visitors while Kauai was down 2.5 percent and Maui off by 6.2 percent from a year earlier. The unusually high interest in Hawaii County while other major Islands were experiencing declines was most likely due to the ongoing volcanic activity in East Hawaii.

Overall, the Statewide hotel occupancy rate was 80.4 percent for the first nine months of 1990, compared with 79.9 for the same 1989 period.

Table 6-1

VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS: 1980 TO 1990

Year 1/	Visitors staying overnight or longer			Average daily visitor census	
	Total	Westbound 2/	Eastbound 3/	Westbound 2/	All
1980	3,934,504	3,046,132	888,372	86,788	96,497
1981	3,934,623	2,974,791	959,832	85,449	95,968
1982	4,242,925	3,278,525	964,400	94,740	105,310
1983	4,368,105	3,396,115	971,990	97,390	108,040
1984	4,855,580	3,721,380	1,134,200	106,260	118,660
1985	4,884,110	3,708,610	1,175,500	103,820	116,700
1986	5,606,980	4,256,390	1,350,590	118,110	132,900
1987	5,799,830	4,204,010	1,595,820	116,780	134,300
1988	6,142,420	4,264,730	1,877,690	115,760	141,410
1989	6,641,820	4,705,320	1,936,500	135,500	169,700
1989: 1 Q	1,683,690	1,198,640	485,050	(NA)	(NA)
2 Q	1,605,100	1,145,550	459,550	(NA)	(NA)
3 Q	1,754,760	1,213,730	541,030	(NA)	(NA)
4 Q	1,598,270	1,147,400	450,870	(NA)	(NA)
1990: 1 Q	1,693,250	1,166,010	527,240	(NA)	(NA)
2 Q	1,720,200	1,189,000	531,200	(NA)	(NA)
3 Q (p)	1,872,790	1,247,850	624,940	(NA)	(NA)
Jan.-Nov. (p)	6,360,200	4,351,210	2,008,990	(NA)	(NA)
Percent change from corresponding period in previous year					
1980	-0.7	-3.0	8.2	-3.2	-2.2
1981	0.0	-2.3	8.0	-1.5	-0.5
1982	7.8	10.2	0.5	10.9	9.7
1983	3.0	3.6	0.8	2.8	2.6
1984	11.2	9.6	16.7	9.1	9.8
1985	0.6	-0.3	3.6	-2.3	-1.7
1986	14.8	14.8	14.9	13.9	13.9
1987	3.4	-1.2	18.2	-1.1	1.1
1988	5.9	1.4	17.7	-0.9	5.3
1989	8.1	10.3	3.1	17.1	20.0
1989: 1 Q	13.4	14.4	10.9	(NA)	(NA)
2 Q	7.9	11.4	0.0	(NA)	(NA)
3 Q	7.3	11.5	-1.2	(NA)	(NA)
4 Q	4.2	4.3	4.0	(NA)	(NA)
1990: 1 Q	0.6	-2.7	8.7	(NA)	(NA)
2 Q	7.2	3.8	15.6	(NA)	(NA)
3 Q (p)	6.7	2.8	15.5	(NA)	(NA)
Jan.-Nov. (p)	4.9	1.0	14.6	(NA)	(NA)

NA Not available.

p Preliminary.

1/ Beginning in 1984, sample size reduced from 20 to 10 percent and numbers rounded to the nearest 10.

2/ Arriving from the Mainland United States or Canada.

3/ Arriving from the Orient and Pacific areas.

Source: Hawaii Visitors Bureau.

Table 6-2

WESTBOUND VISITORS, BY COUNTY: 1981 TO 1990

Year 1/	City & County of Honolulu	Hawaii County	Maui County	Kauai County
1981	2,398,477	672,683	1,389,892	757,811
1982	2,589,190	678,170	1,550,080	733,295
1983	2,591,575	712,380	1,644,605	691,940
1984	2,901,320	760,940	1,854,690	814,590
1985	2,828,640	697,380	1,831,110	832,580
1986	3,146,030	786,930	2,003,870	1,014,650
1987	3,078,500	782,550	1,908,780	1,032,840
1988	3,013,860	782,360	1,884,050	1,043,710
1989	3,205,800	946,540	2,113,100	1,138,230
1989: 1 Q	796,190	235,710	546,150	284,870
2 Q	775,180	224,700	534,200	288,800
3 Q	850,350	246,810	539,360	299,240
4 Q	784,080	239,320	493,390	265,320
1990: 1 Q	755,370	254,640	484,610	254,780
2 Q	808,740	237,850	509,460	290,420
3 Q (p)	873,520	244,840	524,920	305,600
Jan.-Nov. (p)	2,945,610	900,050	1,830,260	1,033,560
Percent change from corresponding period in previous year				
1982	8.0	0.8	11.5	-3.2
1983	0.1	5.0	6.1	-5.6
1984	12.0	6.8	12.8	17.7
1985	-2.5	-8.4	-1.3	2.2
1986	11.2	12.8	9.4	21.9
1987	-2.1	-0.6	-4.7	1.8
1988	-2.1	-0.0	-1.3	1.1
1989	6.4	21.0	12.2	9.1
1989: 1 Q	10.9	17.8	15.1	11.3
2 Q	5.7	28.1	15.1	13.6
3 Q	6.7	32.6	12.9	11.1
4 Q	2.5	8.4	5.5	0.5
1990: 1 Q	-5.1	8.0	-11.3	-10.6
2 Q	4.3	5.9	-4.6	0.6
3 Q (p)	2.7	-0.8	-2.7	2.1
Jan.-Nov. (p)	0.0	3.7	-6.5	-2.6

p Preliminary.

1/ Beginning in 1984, sample size changed from 20 to 10 percent

Source: Hawaii Visitors Bureau.

Table 6-3

EASTBOUND VISITORS, BY COUNTY: 1990

Period 1/	City and County of Honolulu	Hawaii County	Maui County	Kauai County
Total (Jan-Nov)	1,944,250	167,630	353,820	150,910
1 Q	513,350	39,730	90,410	42,920
2 Q	513,130	45,940	95,330	42,140
3 Q	602,600	51,500	110,700	39,680

1/ New data series began in October 1989. No comparable data before that date.
Source: Hawaii Visitors Bureau, Monthly Highlights.

Table 6-4

AVERAGE DAILY HOTEL ROOM RATES, BY ISLANDS: 1980 TO 1990

Year	State	Oahu	Hawaii	Maui	Kauai	Molokai
1980	47.37	42.70	46.40	61.34	55.16	(NA)
1985	65.66	57.00	65.35	96.75	69.51	(NA)
1986	72.67	61.99	73.88	115.33	71.56	56.73
1987	80.09	69.04	82.21	127.05	81.65	64.26
1988	87.25	75.16	87.28	133.70	89.44	59.06
1989	95.83	84.48	121.27	133.65	92.77	66.38
1990 (Jan-Sept)	91.61	85.90	114.08	110.74	85.23	62.57
Percent change from previous year						
1980	6.7	3.1	12.0	7.3	15.5	(NA)
1985	10.8	15.3	14.3	8.8	6.9	(NA)
1986	11.5	9.0	15.1	17.5	8.4	(NA)
1987	10.2	11.4	11.3	10.2	14.1	13.3
1988	8.9	8.9	6.2	5.2	9.5	-8.1
1989	9.8	12.4	38.9	-0.0	3.7	12.4
1990 (Jan-Sept)	6.1	8.4	12.3	-4.9	2.0	2.6

NA Not available.
Source: Pannell Kerr Forster & Company, Trends in the Hotel Industry, Hawaii.

Table 6-5

HOTEL OCCUPANCY RATES BY AREA: 1986 TO 1990 (Percent)

Date	State	Oahu	Hawaii	Maui	Kauai	Molokai
1986	81.2	85.2	62.2	82.7	76.7	50.3
1987	81.1	86.8	60.8	76.2	74.2	45.4
1988	78.5	85.4	56.4	73.4	66.9	45.3
1989	79.0	86.4	60.8	69.2	71.3	45.4
1990 (Jan-Sept)	80.4	88.0	61.9	71.8	69.4	51.9
1989:						
January	82.8	92.6	61.2	68.8	66.4	56.1
February	90.0	95.2	72.2	85.1	83.8	61.8
March	85.0	91.2	64.0	79.8	75.3	51.3
April	74.1	77.6	64.5	72.1	69.1	44.5
May	70.9	76.9	55.3	64.0	65.1	42.8
June	76.8	87.6	52.5	60.4	67.8	34.5
July	80.9	88.8	63.8	69.5	73.8	38.4
August	86.6	94.2	67.6	74.2	84.1	44.8
September	75.5	85.1	51.0	60.6	67.4	42.3
October	75.6	81.0	59.6	67.7	73.9	44.3
November	77.7	84.1	60.6	69.2	70.5	46.2
December	74.0	83.1	58.0	60.2	58.1	38.9
1990:						
January	80.9	90.7	70.7	67.3	59.1	59.4
February	88.8	95.3	76.9	81.6	76.4	78.1
March	82.4	88.7	64.5	78.0	71.0	56.2
April	76.2	82.5	60.8	69.4	67.9	53.4
May	74.9	81.5	55.8	67.9	67.7	54.2
June	79.5	88.7	55.3	67.9	66.4	47.6
July	81.2	89.7	55.8	72.2	71.6	42.8
August	85.6	91.8	67.1	78.1	79.2	40.0
September	74.4	83.0	51.2	64.1	65.6	35.2

Note: Survey excludes some large hotel chains.
Source: Pannell Kerr Forster & Company, Trends in the Hotel Industry, Hawaii.

Table 6-6

VISITOR ACCOMMODATIONS IN HAWAII, BY TYPE: 1977 TO 1989

[As of February] Year and island	Properties			Units		
	Total	Hotels 1/	Condominiums 2/	Total	Hotels 1/	Condominiums 2/
1977	335	(NA)	(NA)	44,986	39,901	5,085
1978	353	(NA)	(NA)	47,070	40,001	7,069
1979	381	(NA)	(NA)	49,832	41,299	8,533
1980	387	(NA)	(NA)	54,246	42,609	11,637
1981	412	214	198	56,769	42,575	14,194
1982	417	208	209	57,968	43,568	14,400
1983	426	218	208	58,765	45,352	13,413
1984	443	209	234	62,448	44,846	17,602
1985	481	207	274	65,919	44,115	21,804
1986	523	201	322	66,308	43,309	22,999
1987	510	196	314	65,318	43,422	21,896
1988	481	203	278	69,012	47,892	21,120
1989	455	194	261	68,189	48,970	19,219
ISLANDS: 1989						
Oahu	159	103	56	36,739	30,808	5,931
Waikiki 3/	131	83	48	32,743	27,549	5,194
Rest of Oahu	28	20	8	3,996	3,259	737
Other islands	296	91	205	31,450	18,162	13,288
Hawaii	72	30	42	8,171	6,004	2,167
Kauai	73	27	46	7,251	4,319	2,932
Maui	143	31	112	15,444	7,503	7,941
Molokai	7	2	5	574	326	248
Lanai	1	1	-	10	10	-

NA Not available.

1/ Hotels, apartment hotels, motels, and cottages.

2/ Condominium accommodations in rental pools for transient use.

3/ Includes Diamond Head and Kahala but not areas ewa and mauka (west and north) of the Ala Wai Canal.

Source: Hawaii Visitors Bureau, Visitor Plant Inventory, 1977 to 1989.

7 CONSTRUCTION

Although current construction activity remains strong, authorizations for new construction are falling off, suggesting a softening in at least the rate of growth for the industry in 1991.

Activity in the construction industry in the first three quarters of 1990 continued at a very strong pace, with the taxable value up 29 percent from the same 1989 period. Employment in construction was 29,300 in the third quarter based on preliminary estimates, a 4.2 percent decrease over the same 1989 period. This preliminary jobs growth estimate may be subject to considerable revision later on which may explain much of the sharp divergence between the construction value and jobs growth statistics.

Of concern is the pace of new private building authorizations (reflecting construction to start in the near future), which showed a 15.1 percent decrease for the third quarter of 1990. Since the current levels of authorizations determine future levels of construction, it appears that after five years of double-digit growth, the construction boom may be slowing to a more moderate rate of growth.

The slowdown in the rate of growth in building authorizations primarily stems from a sharp, 23 percent decline in residential work, and a 24 percent decline in addition and alterations.

New government contracts awarded for construction have also decreased. The value of contracts at all levels of government declined 25 percent in the fourth quarter of 1990, although for the year as a whole, government contracts rose nearly 8 percent over 1989.

Table 7-1

ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED: 1985 TO 1990

Year	Value of construction completed 1/	Private building authorizations				Government contracts awarded
		Total private authorization	Residential	Commercial and industrial 2/	Additions and alterations	
Millions of dollars						
1985	1,429.6	889.0	500.1	208.8	180.1	248.5
1986	1,810.0	1,024.1	455.5	266.3	302.3	425.1
1987	2,145.5	1,161.9	507.0	344.4	310.5	372.2
1988	2,529.0	1,540.3	686.0	538.9	315.4	654.3
1989	3,193.0	1,882.4	910.7	561.7	409.9	741.6
1990	–	–	–	–	–	798.3
1990 (Jan-Sept) 3/	3,017.9	1,423.1	722.6	355.3	345.2	573.9
1989: 1 Q	687.2	416 .9	169.0	150.9	97.1	182.4
2 Q	798.0	542.1	329.5	123.1	89.4	106.4
3 Q	846.5	536.2	240.6	161.0	134.6	154.6
4 Q	861.3	387.2	171.6	126.7	88.8	298.2
1990: 1 Q	868.2	422.4	244.9	78.6	98.9	133.7
2 Q	1,001.3	545.4	292.5	108.7	144.2	90.0
3 Q 3/	1,148.5	455.3	185.2	168.0	102.1	349.7
4Q	–	–	–	–	–	224.9
Percent change from corresponding period in previous year						
1985	16.5	52.9	52.6	100.8	20.2	-39.6
1986	26.6	15.7	-10.6	32.7	68.7	71.1
1987	18.5	13.5	11.3	29.3	2.7	-12.4
1988	26.0	32.6	35.3	56.5	1.6	75.8
1989	26.3	22.2	32.8	4.2	30.0	13.3
1990	–	–	–	–	–	7.6
1990 (Jan-Sept) 3/	29.4	-4.8	-2.2	-18.2	7.5	29.4
1989: 1 Q	16.3	31.3	25.1	34.5	38.5	46.7
2 Q	35.6	51.6	58.6	42.3	40.6	-3.6
3 Q	21.3	60.5	31.4	142.5	59.1	-25.4
4 Q	32.2	-27.1	7.1	-53.7	-8.6	40.3
1990: 1 Q	26.3	1.3	44.9	-47.9	1.9	-26.7
2 Q	25.5	0.6	-11.2	-11.7	61.3	-15.4
3 Q 3/	35.7	-15.1	-23.0	4.3	-24.1	126.2
4Q	–	–	–	–	–	-24.6

1/ Value of construction subject to State excise tax, adjusted to reflect reporting delay of about one month.

2/ Includes hotels.

3/ Excludes authorizations for Maui County for September.

Source: Hawaii State Department of Taxation; County building departments; Trade Publishing Company, Building Industry Digest: BID Service Weekly.

Table 7-2

ESTIMATED VALUE OF PRIVATE BUILDING CONSTRUCTION AUTHORIZATIONS, BY COUNTY: 1980 TO 1990

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Millions of dollars					
1980	1,219.2	686.3	146.0	133.3	253.7
1981	802.0	454.1	136.5	67.7	143.7
1982	683.1	473.0	75.2	44.2	90.7
1983	685.2	366.8	86.7	140.5	91.3
1984	581.5	378.3	90.3	53	59.8
1985	889.0	524.8	121.3	[illegible]	178.9
1986	1,024.1	545.3	231.5	[illegible]	154.1
1987	1,161.9	749.5	145.2	103.5	163.8
1988	1,540.3	743.1	175.0	213.7	408.5
1989	1,882.4	1,047.7	338.1	178.7	317.9
1990 (Jan-Sept)	1,423.0	724.4	328.8	166.2	(NA)
1989: 1 Q	416.9	224.9	104.1	34.2	53.7
2 Q	542.1	331.5	72.9	33.5	104.3
3 Q	536.2	273.8	92.4	68.2	101.8
4 Q	387.2	217.6	68.6	42.8	58.1
1990: 1 Q	422.4	195.1	103.8	57.9	65.6
2 Q	545.3	305.7	84.3	67.6	87.7
3 Q 1/	455.3	223.6	140.7	40.7	50.3
Percent change from corresponding period in previous year					
1980	39.4	36.9	30.1	17.1	72.0
1981	-34.2	-33.8	-6.5	-49.2	-43.4
1982	-14.8	4.2	-44.9	-34.7	-35.0
1983	0.3	-22.4	15.3	217.5	0.6
1984	-15.1	3.1	4.3	-62.3	-34.4
1985	52.9	38.7	34.3	20.5	199.0
1986	15.2	3.9	90.8	45.9	-13.9
1987	13.5	37.5	-37.3	11.0	6.3
1988	32.6	-0.9	20.5	106.5	149.4
1989	22.2	41.0	93.2	-16.4	-22.2
1990 (Jan-Sept)	-4.8	-12.7	22.0	22.3	(NA)
1989: 1 Q	31.3	45.9	182.9	9.6	-43.6
2 Q	51.6	53.0	80.4	-4.3	59.0
3 Q	60.5	41.8	73.0	161.3	65.3
4 Q	-27.1	21.4	54.2	-64.7	-68.8
1990: 1 Q	1.3	-13.3	-0.3	69.2	22.2
2 Q	0.6	-7.8	15.6	101.8	-15.9
3 Q 1/	-15.1	-18.3	52.3	-40.3	-36.7

NA Not available.

1/ Excludes authorizations for Maui County for September.

Source: County building departments.

Table 7-3

ESTIMATED VALUE OF GOVERNMENT CONSTRUCTION CONTRACTS AWARDED IN HAWAII, BY AWARDING AGENCY: 1980 TO 1990

Year	Total	Federal	State	County
Millions of dollars				
1980	230.6	66.5	120.0	44.1
1981	427.5	176.1	180.5	70.9
1982	392.7	139.6	182.0	71.2
1983	277.9	84.7	126.8	66.4
1984	411.8	130.0	196.7	85.1
1985	248.5	74.8	93.8	79.9
1986	425.1	101.9	205.4	117.8
1987	372.2	107.9	174.2	90.1
1988	654.3	170.5	351.5	132.3
1989	741.6	135.1	400.3	206.2
1990	798.3	101.1	549.9	147.3
1990: 1 Q	133.7	21.0	62.0	50.7
2 Q	90.0	3.1	53.4	33.5
3 Q 1/	349.7	17.3	313.2	19.2
4Q	224.9	59.7	121.3	43.9
Percent change from corresponding period in previous year				
1980	-40.7	-37.1	-45.7	-28.8
1981	85.4	164.8	50.5	60.6
1982	-8.1	-20.7	0.8	0.4
1983	-29.3	-39.3	-30.3	-6.7
1984	48.2	53.4	55.1	28.2
1985	-39.6	-42.4	-52.3	-6.2
1986	71.1	36.2	119.1	47.4
1987	-12.4	5.9	-15.2	-49.3
1988	75.8	58.0	101.8	46.8
1989	13.3	-20.8	13.9	55.9
1990	7.6	-25.2	37.4	-28.6
1990: 1 Q	-26.7	-42.0	-4.1	-37.9
2 Q	-15.4	-76.9	-20.5	29.8
3 Q 1/	126.2	-29.1	308.6	-64.2
4Q	-24.6	-2.3	-36.8	-2.7

1/ Includes $108,464,186.00 contract awarded for a portion of the H-3 freeway.

Source: Trade Publishing Co., Building Industry Digest: BID Service Weekly, and First Hawaiian Bank, Research Division.

Note: Figures may not add to totals due to rounding.

Table 7-4

NUMBER OF SINGLE-FAMILY AND MULTI-FAMILY HOUSING UNITS AUTHORIZED BY COUNTY: 1980 TO 1990

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Single-family and duplex units:					
1980	4,058	1,645	1,204	401	808
1981	2,649	728	1,048	409	464
1982	2,285	725	800	230	530
1983	3,417	1,627	938	291	561
1984	4,442	2,513	928	361	640
1985	4,951	2,436	1,046	453	1,016
1986	4,700	2,173	1,144	438	945
1987	6,066	2,870	1,442	599	1,155
1988	6,191	2,158	1,674	702	1,657
1989	6,846	2,105	2,690	881	1,170
1990 (Jan-Sept) 1/	4,464	1,521	1,465	733	745
1989: 1 Q	1,474	557	483	141	293
2 Q	1,620	670	512	171	267
3 Q	1,993	654	810	253	276
4 Q	1,759	224	885	316	334
1990: 1 Q	1,922	722	527	319	354
2 Q	1,482	495	486	264	237
3 Q 1/	1,060	304	452	150	154
Multi-family units:					
1980	6,603	3,297	727	766	1,813
1981	3,142	1,873	270	64	935
1982	4,594	4,109	245	118	122
1983	1,341	1,220	38	73	10
1984	1,021	829	153	35	4
1985	2,450	1,807	128	84	431
1986	2,479	1,986	21	-	472
1987	1,459	785	138	-	536
1988	2,593	1,168	446	21	958
1989	2,939	1,762	363	30	784
1990 (Jan-Sept) 1/	1,755	772	528	75	370
1989: 1 Q	309	216	87	6	-
2 Q	1,501	934	21	24	522
3 Q	664	308	204	-	152
4 Q	465	304	51	-	110
1990: 1 Q	495	107	388	-	-
2 Q	911	475	96	6	334
3 Q 1/	349	190	44	79	36

1/ Excludes September figures for Maui County.

Source: County building departments.

Table 7-5

HONOLULU CONSTRUCTION COST INDEXES: 1983 TO 1990

(1982 = 100) Year	Single-family residence			High-rise building		
	All components	Material prices	Labor 1/	All components	Material prices	Labor 1/
1983	109.5	111.3	107.3	106.9	107.4	106.7
1984	114.3	113.1	115.8	110.9	108.0	114.2
1985	117.4	115.2	120.1	113.5	108.7	118.2
1986	121.5	119.1	124.4	116.8	110.8	122.4
1987	125.7	123.7	128.2	120.7	114.9	125.8
1988	132.8	133.2	132.2	126.1	121.6	129.9
1989	138.5	137.2	140.3	133.2	126.7	138.8
1989: 1 Q	137.1	136.0	138.6	131.4	125.3	136.5
2 Q	138.6	138.3	139.0	132.8	127.4	137.4
3 Q	138.3	136.6	140.5	132.9	125.8	139.1
4 Q	140.1	137.8	143.1	135.7	128.4	142.0
1990: 1 Q	140.4	136.9	144.8	135.4	126.5	143.1
2 Q	141.6	139.2	144.8	137.1	129.7	143.5
3 Q	149.0	151.1	146.4	146.7	148.4	145.3
Percent change from corresponding period in previous year						
1983	9.5	11.3	7.3	6.9	7.4	6.9
1984	4.3	1.6	7.9	3.8	0.6	7.0
1985	2.7	1.9	3.7	2.4	0.6	3.5
1986	3.5	3.4	3.6	2.9	1.9	3.6
1987	3.5	3.8	3.0	3.4	3.7	2.8
1988	5.6	7.7	3.2	4.4	5.9	3.4
1989	4.3	3.0	6.1	5.6	4.2	6.9
1989: 1 Q	3.2	1.3	5.8	4.0	0.8	6.7
2 Q	6.0	6.5	5.3	6.8	8.1	5.9
3 Q	4.2	3.0	5.8	5.7	5.1	6.3
4 Q	3.9	1.2	7.6	5.9	2.9	8.4
1990: 1 Q	2.4	0.7	4.5	3.0	1.0	4.8
2 Q	2.2	0.7	4.2	3.2	1.8	4.4
3 Q	7.7	10.6	4.2	10.4	18.0	4.5

NA Not available.

1/ Includes wages and benefits.

Source: First Hawaiian Bank, Research Division.

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Table 8-1

RECENT ECONOMIC AND DEMOGRAPHIC TRENDS: STATE OF HAWAII

Series 1/	Unit	Period 2/	Number	Percent change from same period in previous year
Resident population (p)	Persons	7/1/89	1,112,100	1.5
City and County of Honolulu	Persons	7/1/89	841,600	0.6
Hawaii County	Persons	7/1/89	122,300	4.4
Kauai Island	Persons	7/1/89	50,700	3.5
Maui Island	Persons	7/1/89	88,100	5.0
Molokai	Persons	7/1/89	6,900	3.0
Lanai	Persons	7/1/89	2,200	0.0
Niihau	Persons	7/1/89	210	1.4
Personal income	$ Million	2 Q (p) 1990	21,848	9.9
Consumer price index (CPI-U):				
Honolulu	(1982-84 = 100)	Jan-June	135.5	7.2
U.S.	(1982-84 = 100)	Jan-June	128.7	4.9
Construction:				
Private permits	$ Million	Jan-Sept	1,423.1	-4.8
Residential permits	$ Million	Jan-Sept	722.6	-2.2
New single-family units	Number	Jan-Sept	4,464	-12.2
New multi-family units	Number	Jan-Sept	1,755	-29.1
Commercial & industrial	$ Million	Jan-Sept	355.3	-18.2
Additions & alterations	$ Million	Jan-Sept	345.2	7.5
Government contracts awarded	$ Million	Jan-Sept	573.9	29.4
Construction cost indexes (Hon):				
Single-family units	(1982 = 100)	July-Sept	149.0	7.7
High-rise buildings	(1982 = 100)	July-Sept	146.7	10.4
Employment (p):				
Civilian labor force	Persons	July-Sept	537,350	2.8
Civilian employment	Persons	July-Sept	523,000	2.0
Civilian unemployment	Persons	July-Sept	14,450	45.2
Unemployment rate	Percent	July-Sept	2.7	42.1
Total jobs	Number	July-Sept	568,250	2.6
Visitor industry:				
Total visitors (p)	Number	Jan-Nov	6,360,200	4.9
Westbound	Number	Jan-Nov	4,351,210	1.0
Eastbound	Number	Jan-Nov	2,008,990	14.6
Hotel/condo units for visitor use	Number	1989	68,189	-1.2
Defense expenditures (p)	$ Million	1989	2,038	(NC)
Sugar production (p)	$ Million	1988	324.0	-3.5
Pineapple sales (p)	$ Million	1989	242.0	-2.0

p Provisional estimates.
NC Not comparable
1/ Statewide data, unless indicated otherwise.
2/ Data for 1990, unless otherwise noted.

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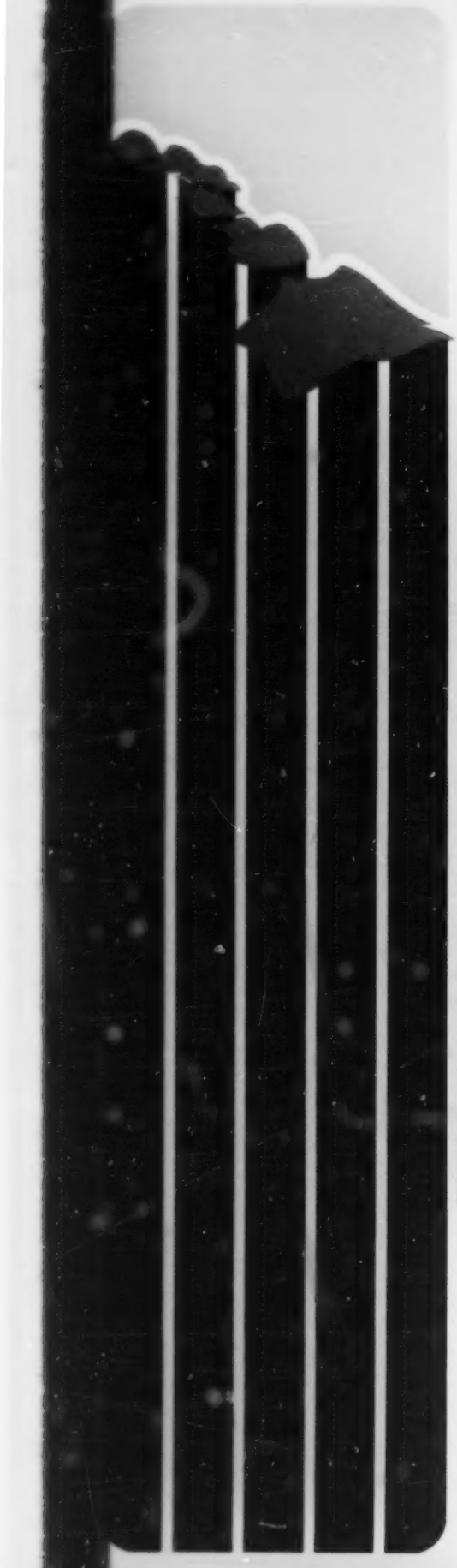

QUARTERLY

STATISTICAL & ECONOMIC REPORT

RESEARCH & ECONOMIC ANALYSIS DIVISION

- The Economy: Recent Trends and Outlook
- 1990 Census of Population Results
- Statistical Tables

1st QUARTER 1991

STATE OF HAWAII 1959

Quarterly Statistical & Economic Report

This quarterly report has been prepared by the staff of the Research and Economic Analysis Division of the State Department of Business, Economic Development & Tourism (DBED) under the direction of Dr. Richard Y. P. Joun, Division Head. It presents information and analysis concerning current statistical and economic trends affecting Hawaii. Technical notes and source descriptions have been kept to a minimum. However, the staff of the Research and Economic Analysis Division would be happy to respond to any inquiries of a technical nature that readers may have (586-2483).

The information contained in this report reflects data received by the Research Division on or before April 28, 1991.

1st Quarter 1991

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THE ECONOMY - Recent Trends

Hawaii's Economy

Hawaii's visitor industry has recently experienced a serious decline in visitor arrivals, due primarily to the Persian Gulf War and secondarily to the national recession. DBED estimates that the total visitor count for the first quarter of the year declined about 14 percent below the same quarter of 1990. Westbound visitor arrivals from the Mainland (primarily from the U.S. and Canada) were down about 12 percent in the first quarter, while Eastbound arrivals (coming from Japan and other Asian/Pacific areas) appeared to be down a sharp, 18 percent from a year earlier. DBED estimates that the total loss of direct visitor expenditures for the first quarter was about $350 million. By comparison, this represents about 3.5 percent of all visitor expenditures estimated for 1990.

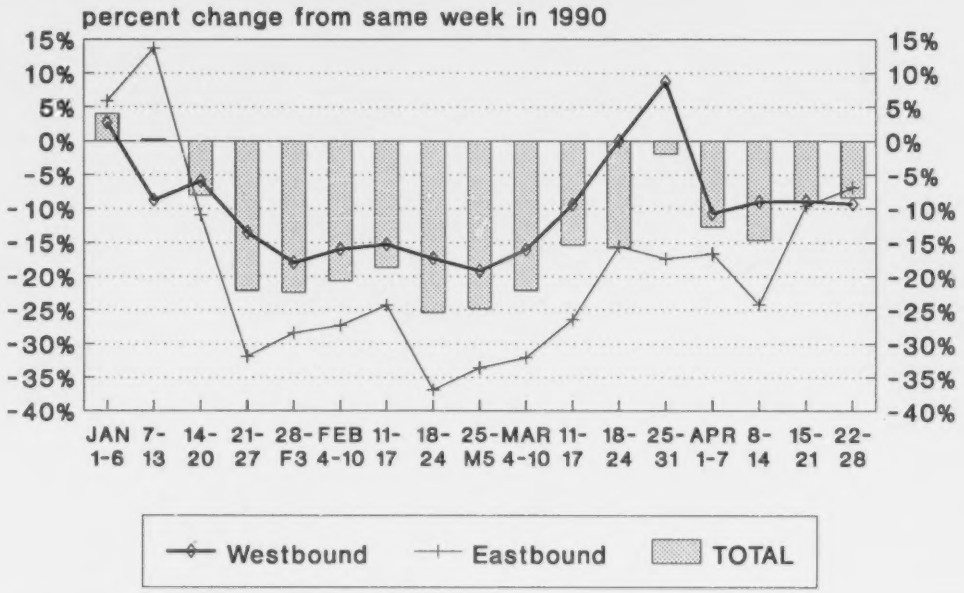
The chief tool for monitoring the health of the visitor industry over the past few months has been the weekly count of overseas passengers, both domestic and international, arriving at the State's overseas airports. Domestic and Canadian passenger counts are generated through the Hawaii Visitors Bureau's survey program, while international arrivals have been compiled by the State Department of Transportation from Immigration Service data. Together, these counts serve as the closest substitute (and a reasonably reliable one) for the actual count of visitors to the State, which takes many weeks to compile.

Figure 1-1 shows the percent change in the weekly passenger count from January to the end of April (measured from the same week in 1990). The chart shows that since the end of the Persian Gulf War in late February, the State's visitor industry has been in a slow and somewhat uneven recovery phase. The worst point for the visitor industry occurred in the last full week of February, which was down more than 25 percent from the same week in the previous year. The passenger count has generally improved since the end of the war although recent weeks have shown mixed results due to seasonal differences from the same weeks in 1990. In general terms, it appears that the westbound overseas passenger count has almost recovered to about last year's levels, while eastbound arrivals, which are composed mainly of foreign visitors, continue to lag behind. It is hoped that a supplementary $6 million promotional campaign planned by the Hawaii Visitors Bureau and recently funded by the 1991 Legislature, will bring the visitor industry back up to last year's levels or better before this summer.

Firms in the visitor industry have reacted cautiously to the decline, aware that the problem is temporary. The number of hotel workers unemployed as of the end of March totaled around 800, more than double the number in the same week a year before. While this appears to be a significant jump in unemployment, the total represents just 2 percent of the 39,000 member hotel work force. Thus, considerably fewer workers have been idled than might otherwise be warranted by the overall 13 percent decline in visitor arrivals. This probably reflects the employers' desire to weather the crisis without losing trained staff who will be needed when normal visitor activity returns.

Despite the magnitude of decline in visitor arrivals, the impact on the economy as a whole has been fairly limited. The temporary nature of

Figure 1-1: Change in Overseas Air Passenger Arrivals, Weekly: January 1 to April 28, 1991



Source: DBED, from HVB and DOT data

the Persian Gulf crisis has been a mitigating factor, as has offsetting strength in other sectors of the economy, notably construction. The total number of weeks claimed for unemployment insurance (an approximation of the number of people drawing benefits) increased to about 9,400 by late March compared to around 6,400 at the same point the year before. However, the insured unemployment rate in late March was still only 1.6 percent of all covered workers, up only modestly from 1.4 percent at the same point a year earlier. The overall unemployment rate, which also includes jobless workers not in the unemployment insurance system, was actually down in February to 2.5 percent from 3.1 percent a year earlier. These statistics indicate that although unemployment is up in absolute numbers, growth in overall employment has kept the unemployment rate to a modest level.

Other sectors of the economy outside of the visitor industry have either continued to make significant contributions to the economy, or have remained relatively stable. Construction has remained strong. Private building permits and government authorizations for new construction showed gains through late 1990 and into January 1991, indicating continued growth for the balance of 1991. Taxable construction value increased 29 percent to $4.1 billion for all of 1990.

Despite the temporary transfer of around 8,500 military personnel from bases in Hawaii to the Persian Gulf, no significant reductions in military spending in Hawaii have been reported. The temporary loss of business activity around military installations, caused by the deployment of military personnel, will likely reverse with the return of troops from the Persian Gulf.

The U.S. and World Economies

The recession at the national level appears to be more severe than had earlier been predicted. Real Gross National Product (GNP) declined at an annual rate of 2.8 percent in the first quarter of 1991 based on the U.S. Commerce Department's preliminary estimate. The Blue Chip Economic Indicators survey of major economic forecasts in early April (Table 1-1) had predicted that the first quarter would show only a 1.8 percent decline in GNP. Apparently, the impact of the War in the Persian Gulf contributed to the sharper than expected decline in the first quarter GNP, although it is not clear how much or to what extent it is contributing to the current economic sluggishness being detected in the economic statistics by many economists.

The first quarter drop followed a 1.6 percent decline in GNP for the fourth quarter of 1990. Recently the Bureau of Economic Analysis determined that the current recession began in July of 1990. Unless first quarter GNP is later revised upward significantly, it is questionable whether the economy will show a turn around in the second quarter as had earlier been hoped. Should the second quarter also show a decline in GNP, the economy will have been in recession for nearly one year.

Internationally, the economic picture is mixed. The economies of Canada and the United Kingdom remained in recession, while Germany, France, Italy, Australia, and Japan were experiencing modest to vigorous growth as 1990 ended. Despite tightening credit conditions and a slowing industrial sector, Japan posted its 52nd consecutive month of economic growth in March. Export activity has slowed since February, prompting some declines in industrial production. Housing starts have fallen off and tight credit has slowed capital investment in Japan and foreign investment.

Japan's tight credit conditions are the result of the Central Bank's policy on inflation. Tokyo's consumer prices have increased at an annual rate of nearly 4 percent in the first quarter of 1991, which is double the rate that Japanese are accustom to. This has put downward pressure on the value of the yen and contributed to the relative rise in the value of the dollar in recent months. Still, Japan's government agencies dealing with trade and the economy are optimistic that the price level can be brought down without forcing the economy into a recession.

The Economic Outlook

The most recent polling of major economic forecasters in the nation suggests a modest recovery of the U.S. economy beginning in the second quarter. GNP is forecast to reach a 2.7 percent annual growth rate by the last quarter of 1991. However, GNP is expected to show only a slight, 0.1 percent growth for the year as a whole. The economy is expected to continue improving through 1992, leveling off at about a 2.7 percent annual growth rate by the end of that year. This growth rate is by no means a strong recovery, but may be the most that can be hoped for, given the continuing structural problems of the Federal Deficit and Budget constraints. Unemployment is expected to lag the recovery, reaching a peak of 6.7 percent in the third quarter of 1991 and remaining at that level through the end of the year. The rate is expected to decline slowly to an average of 6.3 percent by the end of 1992.

Internationally, the economic situation is still somewhat uncertain. In addition to the U.S., Canada and the United Kingdom have also experienced recessions, triggered at least in part by the sharp increase in oil prices in late 1990 and the more recent negative impact of the war on consumer confidence. Japan, however, has not

Table 1-1
U.S. ECONOMIC FORECAST FOR 1991

	1990				1991	1991 Forecast			Prelim.	Forecast
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1990	1991 1/
Annualized % growth rates from prior quarter										
Real GNP	1.7	0.4	1.4	-1.6	-2.8 (p)	0.9	2.2	2.7	1.0	0.1
Industrial production	0.7	4.1	3.7	-7.4	-7.0	0.3	3.3	4.1	1.0	-1.6
Implicit GNP deflator	4.8	4.7	3.7	2.8	5.5 (p)	3.7	3.7	3.6	4.1	3.7
Consumer price index	7.5	3.8	7.0	6.9	3.9	3.4	3.9	4.0	5.4	4.7
Real disposable income	2.5	0.3	-0.7	-3.5	-1.1	1.5	1.7	2.1	0.9	-0.3
Corp. pretax profits	na	na	na	na	na	na	na	na	-3.8	-1.3
Average for quarter										
Net exports ($bil) 2/	-35.4	-44.6	-46.5	-8.8	-18.7	-17.3	-16.3	-14.4	-33.8	-16.8
Unemployment rate (%)	5.2	5.3	5.7	5.9	6.5	6.6	6.7	6.7	5.5	6.6
3-mo.Treas.bill rate(%)	7.8	7.7	7.5	6.8	6.1	5.9	5.8	5.9	7.5	6.0
AAA corp. bond rate (%)	9.2	9.4	9.4	9.2	8.9	8.8	8.8	8.9	9.3	8.8

na: not available
1/ April 1991 average.
2/ Constant 1982 dollars adjusted to an annual rate.
p Preliminary estimate by the U.S. Commerce Department.
Source: Eggert Economic Enterprises, "Blue Chip Economic Indicators," April 10, 1991

yet been seriously affected economically, even though it is highly dependent on imported oil and has experienced problems with credit availability and inflation recently. Japan is not expected to show more than a modest slowdown as the result of the recession in the U.S. and war in the Persian Gulf. With interest rates relatively low in the U.S. at the current time, no significant increase in the value of the dollar is anticipated. However, with inflation on the increase in Japan, a fall in the value of the yen cannot be ruled out. Such a decline would tend to inhibit travel to Hawaii, all other things being equal.

Ordinarily, the short-range outlook for Hawaii's economy would be primarily determined by the outlook for the U.S. and key foreign economies. These factors will certainly have a major influence on activity from this point on. However, the war and its impact on consumer confidence slowed the State's economic growth during the first quarter of 1991, enough to negatively affect economic performance for the entire year. Accounting for an expected delay in tourism's recovery and national and international forecast information, revisions have been made to the DBED short and intermediate range forecast which are presented in Tables 1-1 to 1-6.

The total visitor count for 1991 is expected to show no increase over the 1990 count. This is in contrast to the 2 percent gain forcast in the DBED December 1990 forecast made before the Persian Gulf War. An improving national economy and additional marketing and promotional efforts by the State of Hawaii, through the Hawaii Visitors Bureau, and other segments of Hawaii's visitor industry, however, are expected to result in tourism growth.

Continued improvement in tourism arrivals would be expected in 1992, with perhaps some recapture of winter vacations cancelled in 1991. Visitor arrivals are expected to grow 5 percent in 1992 and about 3.5 percent from 1993 to 1995.

Inflation is not expected to be as severe in 1991 as earlier anticipated. The return of oil prices to pre-August 1990 levels, the decrease in real estate sales, and reduced economic activity due to the decline in tourism have contributed to lower inflationary expectations. DBED now expects the Honolulu Consumer Price Index to increase by 5.5 percent in 1991 compared to the 7.3 percent increase experienced in 1990. Beyond 1991, the Honolulu CPI-U is expected to average about 5.0 percent per year.

The prospects for construction in 1991 have improved from the previous forecast. It is now expected that real construction will increase about 7 percent in 1991 with construction jobs up 3 percent. From 1992 to 1995 the outlook for construction is very cloudy. While no serious downturn is anticipated, a leveling off of activity from the rapid growth over the past several years is likely as the inventory of commercial facilities comes closer to meeting demand. The current forecast holds construction to the same level in the 1991 to 1995 period. The overall economic effect of these conditions on Hawaii's economy will be more modest growth in the 1991 to 1995 period in terms of personal income and employment, as shown in Tables 1-4 and 1-5. Real personal income (adjusted for the effects of inflation) will increase only 1.6 percent in 1991 due to slower economic activity. The rate will average over 2 percent in the 1992 to 1995 period.

The projected increase in the 1991 job count of 1.5 percent is less than half of the growth rate experienced in 1990. The growth rate in jobs will probably average about 2.1 percent between 1992 and 1995.

Table 1–2
KEY ECONOMIC ASSUMPTIONS

	1989	1990	1991	1992	1993	1994	1995
	Actual		Forecast				
Honolulu CPI–U (1982–84=100)	128.7	138.1	145.7	153.0	160.7	168.7	177.1
Visitor arrivals (thous.)	6,641.8	6,971.2	6,971.2	7,319.8	7,576.0	7,841.1	8,115.5
Mortgage rate (%)	10.1	10.0	9.0	9.0	9.0	9.0	9.0
Prime rate (%)	10.9	10.0	9.0	9.0	9.0	9.0	9.0
Annual percent growth							
Real GNP growth (%) 1/	2.5	1.0	0.1	2.5	2.6	2.6	2.6
Honolulu CPI–U	5.8	7.3	5.5	5.0	5.0	5.0	5.0
Visitor arrivals	8.1	5.0	0.0	5.0	3.5	3.5	3.5
Total population	1.5	1.6	1.6	1.6	1.6	1.5	1.5

1/ "Blue Chip Economic Indicators" Consensus Forecast, April 10, 1991.

Source: Department of Business, Economic Development & Tourism, Research & Economic Analysis Division
Hawaii Econometric Forecasting Project, April 1991.

Table 1–3
SUMMARY OF HAWAII FORECAST FOR 1991

	Actual		Estimate		Forecast	
	1989	% Change	1990	% Change	1991	% Change
Gross State Product						
Millions of current dollars	24,997	12.8	27,647	10.6	29,665	7.3
Millions of constant 1982 dollars	19,114	7.4	20,034	4.8	20,475	2.2
GSP deflator index (1982=100)	130.8	5.O	138.0	5.5	144.9	5.0
Visitor arrivals (millions)	6.6	8.1	7.0	5.0	7.0	0.0
Consumer Price Index (CPI–U) (1982–84=100)	128.7	5.8	138.1	7.3	145.7	5.5
Personal Income						
Millions of current dollars	20,478	11.2	22,447	9.6	24,054	7.2
Millions of constant 1982 dollars	15,463	4.9	15,796	2.2	16,044	1.6
Total Jobs (thousands)	552.2	5.5	572.1	3.6	580.8	1.5
Construction, real value (constant 1982 dollars)	2,594.3	25.1	3,007.2	15.9	3,213.3	6.9

Source: DBED Hawaii Econometric Forecasting Project, April 1991.

Table 1–4
PROJECTED PERSONAL INCOME AND COMPONENTS

	Preliminary	Estimate	Forecast			
	1990	1991	1992	1993	1994	1995
Millions of dollars	CURRENT DOLLARS					
Personal Income	22,447.0	24,054.0	25,968.0	27,863.0	29,890.0	32,055.0
Net Earnings of Residents	16,181.0	17,270.0	18,519.0	19,836.0	21,247.0	22,753.0
Labor Income	15,589.0	16,690.0	17,905.0	19,192.0	20,573.0	22,048.0
Wages & Salaries	14,334.0	15,334.0	16,457.0	17,639.0	18,908.0	20,264.0
Other	1,255.0	1,356.0	1,448.0	1,553.0	1,665.0	1,784.0
Proprietors' Income	1,706.0	1,850.0	1,995.0	2,146.0	2,305.0	2,474.0
Less: Social Insurance	(1,114.0)	(1,270.0)	(1,381.0)	(1,502.0)	(1,631.0)	(1,769.0)
Property Income	3,358.0	3,643.0	4,063.0	4,384.0	4,730.0	5,104.0
Transfer Payments	2,908.0	3,141.0	3,386.0	3,643.0	3,913.0	4,198.0
Annual Percent Growth						
Personal Income	9.6	7.2	8.0	7.3	7.3	7.2
Net Earnings of Residents	10.2	6.7	7.2	7.1	7.1	7.1
Labor Income	10.4	7.1	7.3	7.2	7.2	7.2
Wages & Salaries	10.3	7.0	7.3	7.2	7.2	7.2
Other	12.8	8.0	6.8	7.3	7.2	7.1
Proprietors' Income	9.6	8.4	7.8	7.6	7.4	7.3
Less: Social Insurance	12.0	14.0	8.7	8.8	8.6	8.5
Property Income	6.7	8.5	11.5	7.9	7.9	7.9
Transfer Payments	9.3	8.0	7.8	7.6	7.4	7.3
Millions of Dollars	CONSTANT 1982 DOLLARS					
Personal Income	15,796.0	16,044.0	16,496.0	16,859.0	17,221.0	17,590.0
Net Earnings of Residents	11,387.0	11,519.0	11,764.0	12,003.0	12,242.0	12,485.0
Labor Income	10,970.0	11,132.0	11,375.0	11,612.0	11,854.0	12,099.0
Wages & Salaries	10,087.0	10,228.0	10,455.0	10,672.0	10,895.0	11,120.0
Other	883.0	904.0	920.0	940.0	959.0	979.0
Proprietors' Income	1,201.0	1,234.0	1,267.0	1,299.0	1,328.0	1,357.0
Less: Social Insurance	(784.0)	(847.0)	(878.0)	(908.0)	(940.0)	(971.0)
Property Income	2,363.0	2,430.0	2,581.0	2,652.0	2,725.0	2,801.0
Transfer Payments	2,046.0	2,095.0	2,151.0	2,204.0	2,254.0	2,304.0
Annual percent growth						
Personal Income	2.2	1.6	2.8	2.2	2.1	2.1
Net Earnings of Residents	2.8	1.2	2.1	2.0	2.0	2.0
Labor Income	3.0	1.5	2.2	2.1	2.1	2.1
Wages & Salaries	2.8	1.4	2.2	2.1	2.1	2.1
Other	5.1	2.4	1.8	2.2	2.0	2.1
Proprietors' Income	2.2	2.7	2.7	2.5	2.2	2.2
Less: Social Insurance	4.4	8.0	3.7	3.4	3.5	3.3
Property Income	-0.5	2.8	6.2	2.8	2.8	2.8
Transfer Payments	1.8	2.4	2.7	2.5	2.3	2.2

Source: DBED Hawaii Econometric Forecasting Project, April 1991.

Table 1–5
PROJECTED EMPLOYMENT (JOBS) BY SECTOR

		Preliminary	Estimate	Forecast			
	1989	1990 1/	1991	1992	1993	1994	1995
Thousands							
TOTAL JOBS	552.2	572.1	580.8	593.1	605.3	617.4	629.6
Construction	29.2	31.3	32.2	32.2	32.2	32.2	32.2
Manufacturing	21.3	21.3	22.1	22.1	22.1	22.1	22.1
Durable	4.2	4.3	4.5	4.5	4.6	4.7	4.8
Nondurable	17.1	17.1	17.6	17.5	17.4	17.3	17.2
Food Processing	9.4	9.4	9.7	9.6	9.5	9.4	9.3
Textile	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Transp/Communic/Utilities	40.2	41.9	42.4	43.6	44.7	45.6	46.5
Trade	133.0	135.1	136.7	140.3	143.6	147.0	150.4
Retail	111.1	112.5	113.9	117.1	120.2	123.3	126.4
Eating & Drinking Places	46.7	47.3	48.4	50.0	51.6	53.1	54.7
Wholesale	21.9	22.6	22.8	23.2	23.4	23.7	24.0
Finance/Insur/Real Estate	35.1	35.6	36.0	36.7	37.6	38.5	39.4
Services	144.6	150.8	153.1	157.6	162.4	167.0	171.8
Hotels	37.0	38.3	38.4	39.3	39.7	40.1	40.5
Government	101.5	105.3	106.8	108.7	110.2	111.8	113.5
Federal	33.6	33.8	33.8	33.8	33.8	33.8	33.8
State & Local	67.9	71.5	73.0	74.9	76.4	78.0	79.7
Agriculture	9.7	9.7	10.0	10.0	10.0	10.1	10.1
Sugar	3.3	3.1	3.3	3.2	3.1	3.0	2.9
Pineapple	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Diversified	4.5	4.7	4.8	4.9	5.0	5.2	5.3
Self-Employed	37.6	41.1	41.5	41.9	42.5	43.0	43.6
Annual percent growth							
TOTAL JOBS	5.5	3.6	1.5	2.1	2.1	2.0	2.0
Construction	24.8	7.2	3.0	0.0	0.0	0.0	0.0
Manufacturing	(2.7)	0.0	3.8	0.0	0.0	0.0	0.0
Durable	(2.3)	2.4	4.7	0.0	2.2	2.2	2.1
Nondurable	(2.8)	0.0	2.9	(0.6)	(0.6)	(0.6)	(0.6)
Food Processing	(6.0)	0.0	3.2	(1.0)	(1.0)	(1.1)	(1.1)
Textile	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transp/Communic/Utilities	5.8	4.2	1.2	2.8	2.5	2.0	2.0
Trade	5.1	1.6	1.2	2.6	2.4	2.4	2.3
Retail	4.6	1.3	1.2	2.8	2.6	2.6	2.5
Eating & Drinking Places	1.5	1.4	2.2	3.3	3.2	2.8	3.1
Wholesale	7.4	3.3	0.8	1.8	0.9	1.3	1.3
Finance/Insur/Real Estate	1.7	1.3	1.2	1.9	2.5	2.5	2.2
Services	8.5	4.3	1.5	2.9	3.0	2.8	2.9
Hotels	7.6	3.5	0.3	2.3	1.0	1.0	1.0
Government	2.1	3.7	1.4	1.8	1.4	1.5	1.5
Federal	(0.6)	0.6	0.0	0.0	0.0	0.0	0.0
State & Local	3.5	5.3	2.1	2.6	2.0	2.1	2.2
Agriculture	(3.0)	0.0	3.1	0.0	0.0	1.0	0.0
Sugar	(10.8)	(6.1)	6.5	(3.0)	(3.1)	(3.2)	(3.3)
Pineapple	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Diversified	2.3	4.4	2.1	2.1	2.0	4.0	1.9
Self-Employed	3.3	9.3	1.0	1.0	1.4	1.2	1.4

1/ Final 1990 data will be published in the Second Quarter report.
Source: DBED Hawaii Econometric Forecasting Project, April 1991.

Table 1-6
COMPARISON BETWEEN PREVIOUS AND CURRENT FORECASTS OF ECONOMIC INDICATORS
(In percentage growth rates)

	Previous Forecast December 1990 1/	Latest Revision April 1991	Change
1991			
U.S. GNP (1st Quarter only)	-0.6	-2.8 (p)	-2.2
Honolulu inflation rate (% change in CPI-U)	7.0	5.5	-1.5
Personal income			
Constant dollars	2.4	1.6	-0.8
Current dollars	9.6	7.2	-2.4
Gross State Product			
Constant dollars	2.7	2.2	-0.5
Current dollars	8.9	7.3	-1.6
Visitor arrivals	2.0	0.0	-2.0
Total jobs	2.6	1.5	-1.1
Construction (constant dollars)	1.9	6.9	5.0
1992			
Honolulu inflation rate (% change in CPI-U)	5.0	5.0	0.0
Personal income			
Constant dollars	2.4	2.8	0.4
Current dollars	7.5	8.0	0.5
Gross State Product			
Constant dollars	2.3	2.7	0.4
Current dollars	7.4	7.9	0.5
Visitor arrivals	3.5	5.0	1.5
Total jobs	2.4	2.1	-0.3
Construction (constant dollars)	2.0	2.0	0.0

1/ Published in the 4th Quarter 1990 Quarterly Statistical & Economic Report.
p Preliminary estimate by the U.S. Commerce Department.

1990 Census of Population Results

Hawaii's Population Increases Almost 15 Percent in Ten Years

The 1990 Census resident population count for Hawaii of 1,108,229 persons shows that the state's population has grown 14.9 percent in the last decade. The 1980 Census resident population was 964,691 persons. While these population counts are official, they are still subject to change. The U.S. Department of Commerce is considering whether to correct the population counts for a possible undercount or overcount. If there are corrected counts, they will be published no later than July 15, 1991.

Population in the City and County of Honolulu increased by 9.7 percent during the ten-year period 1980-1990. All other counties experienced growth rates of greater than 30 percent: Maui County by 41.6 percent, Kauai County by 30.9 percent and Hawaii County's population increased by 30.7 percent.

Districts in Hawaii County reported the greatest rates of growth: South Kohala with 98.4 percent and Puna with 76.8 percent. Kauai County's Hanalei District reported a 73.6 percent increase, and Kawaihau followed with a 48.9 percent increase. Makawao and Wailuku on Maui led the County with growth rates of 53.7 and 42.3 percent, respectively. While the City and County of Honolulu reported less than a double-digit increase in population over the decade, Koolauloa District increased by 29.9 percent and the Ewa District increased by slightly more than 20 percent.

De facto population for the State increased by 18.6 percent over the decade, as shown in Table 2-3. The City and County of Honolulu again reported the smallest rate of increase: 10.5 percent, while all other counties reported increases in the de facto population of 47.6 percent.

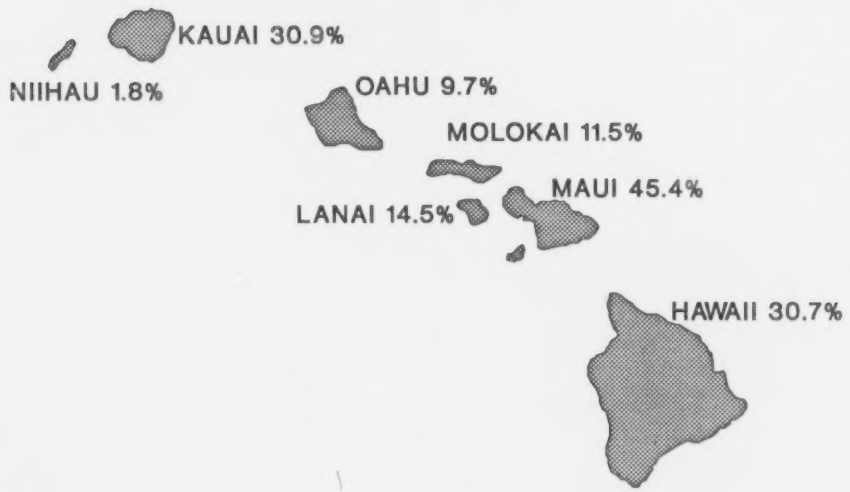
The largest gains were made in the number of visitors present which increased by 62.4 percent over the decade. All counties, with the exception of the City and County of Honolulu, reported a growth of more than double the 1980 population. Maui County led with a rate of increase of 148.2 percent, followed by Kauai County with 140.7 percent and Hawaii County with 125.6 percent.

Table 2-4 presents information on Census Designated Places (CDPs). Close to 73 percent of the 1990 population reside in the twenty-five largest CDPs. Honolulu CDP is the largest with 377,059 persons. Five other CDPs reported populations of more than 30,000 persons. Comparisons of growth rates in these CDPs for the 1980-1990 period may not be possible due to changes in the boundaries of these CDPs.

Public Law Data

The official 1990 Census counts for Hawaii were provided to Governor Waihee during the first week of February 1991. The counts were released primarily for use in determining redistricting of the state legislature. These tabulations, which are required by law to be delivered to all states, include total population counts and counts of persons 18 years of age and over for all races: White; Black; American Indian, Eskimo, or Aleutian; Asian or Pacific Islander; and other combined races. The same counts are also shown for persons of Hispanic origin and for persons not of Hispanic origin by race. Housing units are also included in the data. The Hawaii State Data Center has received both the magnetic tape and CD-ROMs (compact disc read-only memory) for the Public Law file.

Figure 2-1: Population Increase, By Island, 1980-1990



All States and the District of Columbia either have received or will receive these data for the following geographic areas:

- State
- Counties
- Census Tracts or Block Numbering Areas (BNAs)
- Block Groups
- Blocks
- Voting Districts or Precincts

Short Form Data

Following the distribution of information from the Public Law files, no other data will be released until the release of Summary Tape File 1 (STF1) when data from the census short form will be made available. On the short form, all households in the nation were asked a series of questions involving the following areas:

Population
Household relationship
Sex
Race
Age
Marital status
Hispanic origin

Housing
Number of units in structure
Number of rooms in unit
Tenure (owned or rented)
Value of home or rent paid
Congregate housing (meals included)
Vacancy characteristics

These data will be tabulated for all census geographic areas in the state and released initially on magnetic tape. The Census Bureau plans to begin the state-by state release of STF1 in the second quarter of 1991 and continue into 1992. Hawaii was the first state to receive the STF1a. The Hawaii State Data Center received the tape file on April 22, 1991. Plans are being made to prioritize data elements to be extracted. Following release of the tape file, STF1 data will be provided on CD-ROM, and the Census Bureau plans a state-by-state release at the end of 1991.

Demographic & Economic Detail

The very detailed demographic and economic information is based on "sample data" from questions asked on the "long-form" census questionnaire distributed on a sample basis to approximately 17 percent of all households. These detailed questions were tabulated after the short form data were released. Initial sample data from the long-form may not be available until mid-year 1992. Long-form information will include data on labor force status, income, poverty, occupation, migration, fertility, language spoken at home, housing characteristics, education and other detailed data.

Table 2-1
RESIDENT POPULATION, BY COUNTIES: 1980 TO 1990

[Based on place of usual residence. Includes armed forces stationed or homeported in Hawaii and residents temporarily absent; excludes visitors present]

Date	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County 1/
1980: April 1	964,691	762,565	92,053	39,082	70,991
July 1	968,500	764,600	92,900	39,400	71,600
1981: July 1	978,200	767,400	96,300	40,500	74,100
1982: July 1	994,000	776,900	98,800	41,600	76,700
1983: July 1	1,013,400	790,700	100,600	42,500	79,600
1984: July 1	1,029,100	798,100	104,400	43,500	83,100
1985: July 1	1,041,900	806,100	106,100	44,600	85,000
1986: July 1	1,054,000	814,600	107,400	45,400	86,600
1987: July 1	1,070,800	823,800	110,300	46,900	89,800
1988: July 1	1,085,500	832,500	112,400	48,100	92,500
1989: July 1	1,097,800	834,900	116,600	49,700	96,600
1990: April 1	1,108,229	836,231	120,317	51,177	100,504

1/ Including Kalawao County (Kalaupapa Settlement).

Source: Hawaii State Department of Planning and Economic Development, *Intercensal Population Estimates for Hawaii, 1940-1980* (Statistical Report 172, February 1, 1985), table 3; Hawaii State Data Center, provisional intercensal estimates, 1981-1989; U.S. Bureau of the Census, Release CB91-42 (February 1991).

Table 2-2
RESIDENT POPULATION OF COUNTIES AND DISTRICTS: 1970, 1980, AND 1990

County and district	April 1, 1970	April 1, 1980	April 1, 1990	Percent change	
				1970 to 1980	1980 to 1990
State total	769,913	964,691	1,108,229	25.3	14.9
Hawaii County	63,468	92,053	120,317	45.0	30.7
Puna	5,154	11,751	20,781	128.0	76.8
South Hilo	33,915	42,278	44,639	24.7	5.6
North Hilo	1,881	1,679	1,541	-10.7	-8.2
Hamakua	4,648	5,128	5,545	10.3	8.1
North Kohala	3,326	3,249	4,291	-2.3	32.1
South Kohala	2,310	4,607	9,140	99.4	98.4
North Kona	4,832	13,748	22,284	184.5	62.1
South Kona	4,004	5,914	7,658	47.7	29.5
Ka'u	3,398	3,699	4,438	8.9	20.0
Maui County 1/	46,156	70,991	100,504	53.8	41.6
Hana	969	1,423	1,895	46.9	33.2
Makawao	9,979	19,005	29,207	90.4	53.7
Wailuku	22,219	32,111	45,685	44.5	42.3
Lahaina	5,524	10,284	14,574	86.2	41.7
Lanai	2,204	2,119	2,426	-3.9	14.5
Molokai	5,089	5,905	6,587	16.0	11.5
Kalawao	172	144	130	-16.3	-9.7
City & Co. of Honolulu	630,528	762,565	836,231	20.9	9.7
Honolulu	324,871	365,048	377,059	12.4	3.3
Koolaupoko	92,219	109,373	117,694	18.6	7.6
Koolauloa	10,562	14,195	18,443	34.9	29.9
Waialua	9,171	9,849	11,549	7.4	17.3
Wahiawa	37,329	41,562	43,886	11.3	5.6
Waianae	24,077	31,487	37,411	30.8	18.8
Ewa	132,299	191,051	230,189	44.4	20.5
Kauai County	29,761	39,082	51,177	31.3	30.9
Hanalei	1,182	2,668	4,631	125.7	73.6
Kawaihau	7,393	10,497	15,627	42.0	48.9
Lihue	6,766	8,590	10,663	27.0	24.1
Koloa	6,851	8,734	11,368	27.5	30.2
Waimea	7,569	8,593	8,888	13.5	3.4

1/ Including Kalawao County.

2/ 1980 boundaries.

Source: U.S. Bureau of the Census, *1980 Census of Population, Number of Inhabitants, Hawaii*, PC80-1-A13 (October 1981), table 4 and 1990 census printouts transmitted February 21, 1991.

Table 2-3
RESIDENT AND DE FACTO POPULATION BY COUNTIES: 1980 AND 1990

[As of April 1]

Year and component	State total	City and County of Honolulu	Other counties			
			Total	Hawaii	Kauai	Maui 1/
1980						
Resident population	964,691	762,565	202,126	92,053	39,082	70,991
Temporarily absent 2/	9,635	7,922	1,713	820	274	619
De facto population	1,052,659	822,002	230,657	98,659	46,133	85,865
Visitors present 2/	97,603	67,359	30,244	7,426	7,325	15,493
1990						
Resident population	1,108,229	836,231	271,998	120,317	51,177	100,504
Temporarily absent 2/	18,360	13,854	4,506	1,993	848	1,665
De facto population	1,248,360	908,019	340,341	135,080	67,963	137,298
Visitors present 2/	158,491	85,642	72,849	16,756	17,634	38,459
Percent change from 1980 to 1990						
Resident population	14.9	9.7	34.6	30.7	30.9	41.6
Temporarily absent	90.6	74.9	163.0	143.0	209.5	169.0
De facto population	18.6	10.5	47.6	36.9	47.3	59.9
Visitors present	62.4	27.1	140.9	125.6	140.7	148.2

1/ Includes Kalawao County (resident population 144 in 1980, 130 in 1990).

2/ Average for 12-month period centered on census date. The 1980 estimates are thought to be understated.

Source: U.S. Bureau of the Census, Hawaii Visitors Bureau, and Hawaii State Data Center.

Table 2-4
RESIDENT POPULATION FOR THE 25 LARGEST CENSUS DESIGNATED PLACES, BY RACE: 1990

CDPs	Total	White	Black	American Indian, Eskimo or Aleut	Asian or Pacific Islander	Other race
Honolulu 1/	377,059	104,038	7,371	1,197	259,629	4,824
Hilo	37,808	10,075	214	210	26,533	776
Kailua	36,818	21,242	501	192	14,395	488
Kaneohe	35,448	11,052	416	155	23,261	564
Waipahu	31,435	3,634	619	149	26,340	693
Pearl City	30,993	6,632	786	83	22,968	524
Waimalu	29,967	8,418	684	125	20,317	423
Mililani Town	29,359	10,032	842	102	17,973	410
Schofield Barracks	19,597	11,921	4,955	179	1,145	1,397
Wahiawa	17,386	3,998	712	105	12,013	558
Kahului	16,889	2,658	79	42	13,809	301
Ewa Beach	14,315	3,296	207	39	10,389	384
Halawa	13,408	3,256	279	27	9,602	244
Waipio	11,812	3,405	357	24	7,847	179
Mokapu	11,662	7,940	2,026	112	771	813
Kihei	11,107	6,853	87	99	3,869	199
Wailuku	10,688	2,486	47	44	7,942	169
Makakilo City	9,828	4,631	327	51	4,606	213
Nanakuli	9,575	1,392	162	64	7,675	282
Kailua	9,126	4,977	30	76	3,848	195
Lahaina	9,073	2,863	39	22	6,002	147
Aiea	8,906	2,169	84	7	6,538	108
Waianae	8,758	1,751	101	56	6,502	348
Ahuimanu	8,387	3,019	131	43	5,013	181
Kapaa	8,149	2,836	39	45	5,064	165

1/ Corrected from published data.

Source: U.S. Department of Commerce, Bureau of the Census, PL-94-171 tape file.

3. INCOME AND PRICES

Total personal income in Hawaii increased by 9.6 percent during 1990 as compared with 1989. This increase was greater than the national increase of 6.4 percent during the same period. At least a portion of Hawaii's larger growth was offset by the higher rate of change in consumer prices locally as compared with the national average.

Hawaii's per capita personal income for 1990, at $20,254, was 8 percent above the national average of $18,685. From 1989 to 1990, per capita personal income increased by 10 percent for Hawaii, as compared with the national increase of 6.2 percent for the period.

Disposable personal income in Hawaii rose by 10.6 percent, as compared with a 1.0 percent change for the U.S. during the 1989-1990 period. Hawaii per capita disposable personal income of $17,229 was 9 percent above the $15,878 U.S. average for 1990. The increase in the per capita personal disposable income for Hawaii was 11 percent higher in 1990 over 1989, while the U.S. average increased by 6.2 percent.

Figures released for 1990 show that the Honolulu Consumer Price Index for all urban consumers (CPI-U) rose at its fastest rate since data were first gathered on a semi-annual basis in the mid-1980s. The CPI-U rose 7.3 percent from a year earlier, as compared with the national average of 5.8 percent. On a six month basis, prices in Honolulu rose 3.9 percent from the first half of 1990 to the second half of 1990.

The CPI-U increase was led by medical care costs which increased by 11.1 percent over the period ending in the second half of 1990. Other costs not elsewhere classified increased by 10.8 percent, followed by housing and transportation costs which increased by 7.5 and 7.1 percent, respectively.

Table 3-1
TOTAL PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

[Dollar amounts in millions]

Year	Total personal income 1/		Percent change from same period in previous year	
	United States	Hawaii	United States	Hawaii
1980	2,254,076	10,279	11.1	13.8
1981	2,514,231	11,051	11.5	7.5
1982	2,663,432	11,732	5.9	6.2
1983	2,834,385	12,875	6.4	9.7
1984	3,101,163	13,628	9.4	5.8
1985	3,317,545	14,589	7.0	7.1
1986	3,519,364	15,607	6.1	7.0
1987	3,754,577	16,798	6.7	7.6
1988	4,058,181	18,412	8.1	9.6
1989	4,367,401	20,477	7.6	11.2
1990	4,647,055	22,446	6.4	9.6
1986: 1 Q	3,449,599	15,207	5.9	6.4
2 Q	3,506,709	15,441	6.3	6.7
3 Q	3,532,510	15,730	6.3	7.6
4 Q	3,588,638	16,051	5.8	7.6
1987: 1 Q	3,659,319	16,240	6.1	6.8
2 Q	3,705,300	16,559	5.7	7.2
3 Q	3,766,293	16,939	6.6	7.7
4 Q	3,887,397	17,452	8.3	8.7
1988: 1 Q	3,939,842	17,865	7.7	10.0
2 Q	4,021,869	18,136	8.5	9.5
3 Q	4,095,382	18,539	8.7	9.4
4 Q	4,175,632	19,108	7.4	9.5
1989: 1Q	4,284,521	19,715	8.7	10.4
2 Q	4,344,107	20,211	8.0	11.4
3 Q	4,384,651	20,767	7.1	12.0
4Q	4,456,325	21,218	6.7	11.0
1990: 1Q	4,560,370	21,681	6.4	10.0
2Q	4,623,373	22,188	6.4	9.8
3Q	4,683,100	22,780	6.8	9.7
4Q	4,721,376	23,136	6.0	9.0

1/ Quarterly income seasonally adjusted at annual rates.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, release dated April 1991.

Table 3-2
TOTAL AND PER CAPITA PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

Year	Total personal income (millions of dollars)		Per capita personal income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	2,254,076	10,279	9,919	10,617	107
1981	2,514,231	11,051	10,949	11,274	103
1982	2,663,432	11,732	11,481	11,760	102
1983	2,834,385	12,875	12,098	12,640	104
1984	3,101,163	13,628	13,114	13,155	100
1985	3,317,545	14,589	13,896	13,891	100
1986	3,522,203	15,639	14,608	14,702	101
1987	3,754,577	16,798	15,424	15,525	101
1988	4,058,181	18,412	16,511	16,797	102
1989	4,367,401	20,477	17,594	18,413	105
1990	4,647,055	22,446	18,685	20,254	108
	Percent change from previous year				
1980	11.1	13.8	9.8	11.7	1.7
1981	11.5	7.5	10.4	6.2	-3.8
1982	5.9	6.2	4.8	4.3	-0.5
1983	6.4	9.7	5.4	7.5	2.0
1984	9.4	5.8	8.4	4.1	-4.0
1985	7.0	7.1	6.0	5.6	-0.3
1986	6.2	7.2	5.1	5.8	0.7
1987	6.7	7.6	5.7	5.8	0.1
1988	8.1	9.6	7.0	8.2	1.1
1989	7.6	11.2	6.6	9.6	2.9
1990	6.4	9.6	6.2	10.0	3.6

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System release, April 1991.

Table 3-3
TOTAL AND PER CAPITA DISPOSABLE PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

Year	Disposable personal income (millions of dollars)		Per capita personal income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	1,914,331	8,776	8,424	9,065	108
1981	2,121,830	9,418	9,240	9,608	104
1982	2,255,123	10,213	9,721	10,238	105
1983	2,424,880	11,100	10,350	10,897	105
1984	2,662,051	11,886	11,257	11,474	102
1985	2,832,081	12,606	11,863	12,003	101
1986	3,011,946	13,510	12,492	12,701	102
1987	3,184,218	14,348	13,081	13,260	101
1988	3,467,868	15,622	14,109	14,251	101
1989	3,709,988	17,265	14,945	15,525	104
1990	3,747,062	19,093	15,878	17,229	109
	Percent change from previous year				
1980	11.0	13.8	9.7	11.7	1.8
1981	10.8	7.3	9.7	6.0	-3.4
1982	6.3	8.4	5.2	6.6	1.3
1983	7.5	8.7	6.5	6.4	0.0
1984	9.8	7.1	8.8	5.3	-3.2
1985	6.4	6.1	5.4	4.6	-0.7
1986	6.4	7.2	5.3	5.8	0.8
1987	5.9	6.1	4.9	4.3	-0.6
1988	8.9	8.9	7.9	7.5	-0.4
1989	7.0	10.5	5.9	8.9	2.8
1990	1.0	10.6	6.2	11.0	4.5

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System release, April 1991.

Table 3-4
CONSUMER PRICE INDEX, ALL URBAN CONSUMERS (CPI-U) FOR SELECTED ITEMS FOR HONOLULU: 1980 TO 1990

[1982-84 = 100]

Period	All items	Food & beverage	Housing 1/	Apparel and upkeep	Transportation	Medical care	Entertainment	Other
1980	83.0	84.2	83.2	89.8	86.6	73.1	78.2	73.3
1981	91.7	92.6	92.3	94.5	95.7	81.8	87.2	81.5
1982	97.2	96.9	98.0	98.4	99.0	91.6	95.7	92.0
1983	99.3	99.5	98.9	101.4	98.2	101.1	100.0	101.4
1984	103.5	103.6	103.1	100.2	102.9	107.3	104.3	106.6
1985	106.8	107.8	106.0	99.6	104.9	113.2	111.9	112.5
1986	109.4	110.0	108.4	99.8	105.2	122.3	113.2	119.6
1987	114.9	114.1	115.0	102.5	109.7	127.9	118.6	129.7
1988	121.7	120.3	123.0	106.8	116.1	132.5	122.9	137.1
1989	128.7	128.1	131.1	104.3	123.9	139.3	124.3	146.1
1990	138.1	137.8	141.5	107.0	131.1	154.2	128.4	160.4
1990:								
1st half	135.5	136.6	139.0	106.2	127.3	149.8	125.7	155.2
2nd half	140.8	139.0	144.1	107.8	135.0	158.6	131.2	165.6
	Percent change from same period in previous year							
1981	10.5	10.0	10.9	5.2	10.5	11.9	11.5	11.2
1982	6.0	4.6	6.2	4.1	3.4	12.0	9.7	12.9
1983	2.2	2.7	0.9	3.0	-0.8	10.4	4.5	10.2
1984	4.2	4.1	4.2	-1.2	4.8	6.1	4.3	5.1
1985	3.2	4.1	2.8	-0.6	1.9	5.5	7.3	5.5
1986	2.4	2.0	2.3	0.2	0.3	8.0	1.2	6.3
1987	5.0	3.7	6.1	2.7	4.3	4.6	4.8	8.4
1988	5.9	5.4	7.0	4.2	5.8	3.6	3.6	5.7
1989	5.8	6.5	6.6	-2.3	6.7	5.1	1.1	6.6
1990	7.3	7.6	7.9	2.6	5.8	10.7	3.3	9.8
1990:								
1st half	7.2	8.8	8.5	0.1	4.5	10.1	1.4	8.8
2nd half	7.4	6.4	7.5	5.2	7.1	11.1	5.3	10.8

1/ Change in calculation in 1983--housing costs measured in rental equivalence (what owners would have to pay if they rented their homes).

Source: U.S. Department of Labor, Bureau of Labor Statistics.

4. EMPLOYMENT

Hawaii continued to maintain a healthy increase in job creation through the first quarter of 1991 with moderate increases in wage and salary jobs combined with a sharp increase in the number of self-employed in the agricultural sector in the first quarter. The estimate of the number of self-employed persons in non-agricultural jobs throughout Hawaii soared to more than 37,000 during the year. This growth could be attributed to new business growth or simply a technical shift in the employment status of some existing workers.

According to preliminary estimates, the total number of jobs in the State was up 3.6 percent to 571,450 jobs in 1990, and 585,050 jobs for the first quarter of 1991.

Among the major employment sectors in 1990, jobs in the non-agricultural self-employed sector showed the most gain, increasing 13.2 percent from 1989. The next largest increase in employment occurred in state government jobs which increased by 6.5 percent.

All counties showed increases in the number of non-agricultural wage and salary jobs in 1990 and also the first quarter of 1991. The County of Hawaii generated the largest increase in job growth in these periods with 4.4 percent last year and 10.9 percent in the first quarter.

The State's unemployment rate rose slightly to 2.7 percent during 1990 in all counties, except Hawaii County. Although unemployment in Hawaii County did not increase over 1989, it had the highest unemployment rate in the State at 3.9 percent of the county's labor force. Since 1981, the City and County of Honolulu continued to have the lowest unemployment rate of all the counties. In 1990, Honolulu's unemployment rate was 2.5 percent and 2.4 percent for the first quarter of 1991.

Data users are cautioned that preliminary estimates of jobs which are based on sampling data, are often revised when more reliable, but delayed, employment-based data become available.

Table 4-1
CIVILIAN LABOR FORCE AND EMPLOYMENT, BY COUNTY: 1980 TO 1991

[Number of persons]

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian labor force:					
1980	439,000	338,350	43,550	19,550	37,550
1981	451,000	345,700	45,450	20,100	39,750
1982	461,000	350,100	47,200	20,800	42,850
1983	472,000	357,100	48,350	21,650	44,900
1984	472,000	357,150	48,650	21,300	44,900
1985	479,000	359,600	50,400	22,050	46,950
1986	492,000	368,700	51,350	23,400	48,600
1987	514,000	383,400	54,100	24,900	51,600
1988	518,000	383,750	54,500	26,000	53,800
1989	524,000	384,500	56,900	27,600	55,000
1990	537,550	393,950	59,250	28,100	56,250
1990: 1 Q	529,400	390,000	57,450	27,700	54,250
2 Q	539,700	396,500	58,950	27,900	56,300
3 Q	537,350	392,300	59,700	28,250	57,100
4 Q	543,800	397,050	60,850	28,600	57,300
1991: 1 Q (p)	551,217	399,350	63,700	29,650	58,500
Civilian employment:					
1980	418,000	322,800	40,850	18,700	35,650
1981	427,000	328,500	42,150	18,900	37,450
1982	430,000	328,600	42,700	19,150	39,550
1983	442,000	336,550	44,050	20,000	41,450
1984	445,000	338,050	44,950	19,800	42,250
1985	452,000	341,150	46,150	20,550	44,150
1986	468,000	352,500	47,500	22,000	46,050
1987	494,000	369,850	50,950	23,850	49,350
1988	502,000	373,150	51,800	25,050	52,000
1989	511,000	375,950	54,700	26,800	53,550
1990	522,850	384,100	56,950	27,100	54,700
1990: 1 Q	513,500	379,100	55,100	26,550	52,750
2 Q	525,400	387,250	56,400	26,950	54,750
3 Q	523,000	382,700	57,500	27,250	55,450
4 Q	529,650	387,450	58,800	27,700	55,700
1991: 1 Q (p)	536,700	389,950	61,350	28,550	56,800

Note: All quarterly data are not seasonally adjusted; detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-2
CIVILIAN UNEMPLOYED AND UNEMPLOYMENT RATE, BY COUNTY: 1980 TO 1991

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian unemployed (persons):					
1980	21,000	15,550	2,700	850	1,900
1981	24,000	17,150	3,350	1,150	2,350
1982	31,000	21,500	4,500	1,700	3,300
1983	30,000	20,600	4,350	1,650	3,450
1984	27,000	19,100	3,750	1,500	2,700
1985	27,000	18,450	4,250	1,500	2,800
1986	24,000	16,200	3,850	1,400	2,550
1987	20,000	13,550	3,100	1,100	2,250
1988	16,000	10,550	2,700	950	1,750
1989	13,000	8,550	2,200	800	1,450
1990	14,700	9,850	2,300	1,000	1,550
1990: 1 Q	15,900	10,850	2,350	1,150	1,500
2 Q	14,300	9,250	2,550	950	1,550
3 Q	14,450	9,600	2,250	1,000	1,650
4 Q	14,150	9,600	2,000	900	1,600
1991: 1 Q (p)	14,550	9,450	2,300	1,100	1,650
Unemployment rate (percent):					
1980	4.8	4.6	6.2	4.2	5.1
1981	5.3	5.0	7.3	5.8	5.9
1982	6.7	6.1	9.5	8.1	7.7
1983	6.3	5.7	8.9	7.7	7.6
1984	5.7	5.4	7.7	7.0	6.0
1985	5.6	5.1	8.5	6.8	5.9
1986	4.9	4.4	7.5	6.0	5.2
1987	3.9	3.5	5.7	4.3	4.4
1988	3.1	2.7	4.9	3.7	3.3
1989	2.5	2.3	3.9	2.9	2.6
1990	2.7	2.5	3.9	3.6	2.8
1990: 1 Q	3.0	2.8	4.1	4.2	2.8
2 Q	2.7	2.3	4.3	3.4	2.8
3 Q	2.7	2.5	3.8	3.5	2.8
4 Q	2.6	2.4	3.3	3.2	2.8
1991: 1 Q (p)	2.6	2.4	3.6	3.7	2.9

Note: Detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-3
TOTAL JOBS: 1980 TO 1991

Year	Total jobs 1/	Nonagriculture			Agriculture			Labor disputes
		Total	Wage & salary	Self-employed	Total	Wage & salary	Self-employed	
1980	448,300	432,400	404,100	28,300	15,400	10,800	4,600	500
1981	449,900	433,950	404,800	29,150	15,850	11,500	4,350	100
1982	446,100	430,700	399,400	31,300	15,300	11,300	4,000	100
1983	453,800	438,550	406,250	32,300	15,100	11,200	3,900	150
1984	461,000	446,100	412,650	33,450	14,450	10,800	3,650	450
1985	473,200	459,150	425,750	33,400	13,950	10,450	3,500	100
1986	486,850	473,300	438,550	34,750	13,350	10,150	3,200	200
1987 2/	504,950	490,650	459,950	30,700	14,250	10,550	3,700	50
1988	524,500	510,800	478,050	32,750	13,600	10,000	3,600	100
1989	551,200	538,050	504,800	33,250	13,100	9,600	3,500	50
1990	571,450	557,750	520,100	37,650	13,100	9,600	3,500	650
1990: 1 Q	565,700	551,300	515,050	36,250	11,950	8,900	3,050	2,450
2 Q	571,450	558,900	520,850	38,050	12,550	9,400	3,150	50
3 Q	568,250	553,700	515,300	38,400	14,500	10,550	3,950	50
4 Q	580,400	567,000	529,100	37,900	13,400	9,650	3,750	-
1991: 1 Q (p)	585,050	572,500	534,600	37,900	12,550	8,650	3,900	-
	Percent change from same period in previous year							
1980	3.2	3.4	2.6	16.2	1.0	0.5	2.2	
1981	0.4	0.4	0.2	3.0	2.9	6.5	-5.4	
1982	-0.8	-0.7	-1.3	7.4	-3.5	-1.7	-8.0	
1983	1.7	1.8	1.7	3.2	-1.3	-0.9	-2.5	
1984	1.6	1.7	1.6	3.6	-4.3	-3.6	-6.4	
1985	2.6	2.9	3.2	-0.1	-3.5	-3.2	-4.1	
1986	2.9	3.1	3.0	4.0	-4.3	-2.9	-8.6	
1987	(NC)	(NC)	4.9	(NC)	6.7	3.9	15.6	
1988	3.9	4.1	3.9	6.7	-4.6	-5.2	-2.7	
1989	5.1	5.3	5.6	1.5	-3.7	-4.0	-2.8	
1990	3.6	3.7	3.0	13.2	-	-	-	
1990: 1 Q	4.9	4.7	4.0	16.2	-4.8	-3.8	-7.6	
2 Q	3.9	4.2	3.5	13.4	-4.9	-3.1	-10.0	
3 Q	2.6	2.5	2.0	10.8	4.7	3.9	6.8	
4 Q	3.3	3.3	2.7	12.6	3.5	3.2	4.2	
1991: 1 Q (p)	3.4	3.8	3.8	4.5	5.0	-3.0	27.9	

Note: Detail may not add to total due to rounding.
p Preliminary.
NC Not comparable.
1/ Total of wage and salary jobs and self-employed in agricultural and nonagricultural industries plus those jobs involved in labor disputes.
2/ Revision in methodology affecting non-agricultural self-employed from 1987. Data and subtotals not comparable to previous years.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-4
NUMBER OF JOBS, BY INDUSTRY: 1989 TO 1991

Series	1989	1990	1 Q 1991(p)	Percent change from previous year		
				1989	1990	1 Q 1991(p)
Total jobs 1/	551,200	571,450	585,050	5.1	3.6	3.4
Non-agricultural wage and salary jobs	504,800	520,100	534,600	5.6	3.0	3.8
Construction	29,200	29,900	32,500	24.8	2.4	8.1
Manufacturing	21,300	20,650	20,500	-3.2	-3.1	-1.0
Durable goods	4,250	4,100	4,150	-	-3.5	2.0
Nondurable goods	17,100	16,550	16,300	-3.7	-3.2	-1.7
Food processing	9,350	9,050	9,100	-6.0	-3.5	1.5
Sugar processing	2,500	2,500	2,550	-12.3	-	-1.3
Pineapple processing	1,750	1,400	1,400	-14.6	-18.8	-
Other food processing	5,100	5,150	5,150	1.0	1.0	3.0
Transportation, commun., utilities	40,200	41,950	42,800	5.8	4.4	3.0
Trade	132,950	135,100	135,350	4.3	1.6	0.6
Wholesale	21,950	22,550	22,500	5.8	2.7	0.2
Retail	111,000	112,550	112,850	4.0	1.4	0.7
Finance, insurance, real estate	35,150	36,050	37,450	2.0	2.7	5.3
Services	144,600	151,150	157,550	8.5	4.5	6.1
Hotels	37,000	38,400	39,800	7.7	3.8	6.5
Government	101,450	105,250	108,450	2.0	3.7	4.2
Federal	33,850	33,800	32,300	-	-0.1	-3.1
State	53,550	57,050	61,800	3.3	6.5	8.6
Local	14,100	14,400	14,350	1.8	2.1	3.2
Agriculture (wage & salary)	9,600	9,600	8,650	-4.0	-	-3.0
Sugar	3,300	3,100	2,950	-10.8	-6.1	-3.3
Pineapple	1,850	1,850	1,600	5.7	-	-5.0
Diversified agriculture	4,500	4,700	4,100	-1.1	4.4	-1.2
Nonagric. self-employed 2/	33,250	37,650	37,900	1.5	13.2	4.5
Agricultural self-employed 2/	3,500	3,500	3,900	-1.4	-	27.9
Labor disputes	50	625	-	-50.0	1,150.0	-

p Preliminary.
1/ Total of nonagricultural and agricultural wage and salary, self-employed, and jobs involved in labor disputes.
2/ Self-employed includes unpaid family workers and domestics.
Source: Hawaii State Department of Labor and Industrial Relations

Table 4-5
NON-AGRICULTURAL WAGE AND SALARY JOBS, BY COUNTY: 1980 TO 1991

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
1980	404,100	333,050	28,450	15,150	27,500
1981	404,800	332,300	28,850	15,200	28,450
1982	399,400	325,700	28,700	15,150	29,900
1983	406,250	330,100	29,350	15,700	31,100
1984	412,650	334,400	30,400	15,750	32,150
1985	425,750	342,300	32,250	16,700	34,550
1986	438,550	351,450	33,150	17,900	36,050
1987	459,950	366,550	35,300	19,300	38,850
1988	478,050	378,150	37,100	21,000	41,850
1989	504,800	395,600	41,050	23,350	44,750
1990	519,250	406,500	42,850	23,650	46,250
1990: 1 Q	515,050	403,650	42,400	23,550	45,450
2 Q	520,850	408,400	42,700	23,450	46,300
3 Q	515,300	402,550	42,700	23,500	46,550
4 Q	529,100	412,450	44,750	24,400	47,450
1991: 1 Q (p)	534,600	413,800	47,050	25,250	48,550
	Percent change from same period in previous year				
1980	2.6	2.2	2.9	6.1	4.3
1981	0.2	-0.2	1.4	0.3	3.5
1982	-1.3	-2.0	-0.5	-0.3	5.0
1983	1.7	1.4	2.3	3.6	4.0
1984	1.6	1.3	3.6	0.3	3.4
1985	3.2	2.4	6.0	6.0	7.4
1986	3.0	2.7	2.9	7.2	4.4
1987	4.9	4.3	6.4	7.9	7.8
1988	3.9	3.2	5.1	8.8	7.7
1989	5.6	4.6	10.6	11.2	6.9
1990	2.9	2.8	4.4	1.3	3.4
1990: 1 Q	4.0	3.9	5.8	3.5	3.1
2 Q	3.5	3.6	4.9	1.3	2.9
3 Q	2.0	1.8	3.1	-0.6	3.4
4 Q	2.7	2.0	6.6	2.2	5.5
1991: 1 Q (p)	3.8	2.5	10.9	7.2	6.8

Note: Detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

5. BUSINESS ACTIVITY

While growth on the U.S. Mainland remained weak, Hawaii's economy continued to perform well through the year. The total value of business transactions subject to State excise and use tax continued to grow at a double-digit rate, reaching 15.7 percent in 1990. This increase was led by the services sector with 23 percent growth and the manufacturing sector which increased by 14.7 percent.

Taxable transactions during the first quarter of this year increased by 1.6 percent for the months of February and March, as compared with the same 2 months in 1990. The retailing sector showed no growth for this period, while the services sector reported a 6.7 percent increase. Hotel rental, diversified agriculture, and the manufacturing sectors all reported decreases of 19.5, 17.3, and 18.5 percent, respectively.

Collections of general excise and use taxes increased by 14 percent during 1990, while collections of net individual income taxes decreased by 7.3 percent, mainly due to the $125 per person federal tax credit provided in that year. Net corporate income taxes increased by 18.7 percent over 1989, while tax revenues distributed to the State General Fund increased by 4.2 percent.

In the first quarter of 1991, collections of general excise and use taxes increased by 10.5 percent over the first quarter of 1990. Net individual income taxes collected rose by 25.3 percent, and net corporate taxes increased by 5.4 percent over the first quarter of 1990. Tax revenues distributed to the State General Fund increased by 9.8 percent for the first quarter of 1991 over the same period in 1990.

Table 5-1
VALUE OF BUSINESS TRANSACTIONS SUBJECT TO STATE EXCISE AND USE TAX: 1982 TO 1991

[Millions of dollars]

Year	Total taxable transactions	Selected industry transactions				
		Retailing	Services	Hotel rental	Diversified agriculture	Manufacturing 1/
1982	20,722.1	7,043.6	1,976.2	875.5	176.8	544.3
1983	21,416.8	7,458.8	2,128.5	858.2	221.6	502.3
1984	23,879.9	8,182.7	2,396.1	1,008.6	257.6	530.1
1985	24,630.3	8,605.2	2,529.7	1,153.4	251.6	538.3
1986	26,335.2	9,206.7	2,786.1	1,227.2	258.8	565.4
1987	29,232.3	10,010.4	3,057.4	1,434.8	264.1	588.3
1987 2/	28,072.4	9,356.7	2,856.2	1,346.5	264.1	588.3
1988	31,833.9	10,501.7	3,337.6	1,429.3	308.2	606.7
1989	36,106.5	11,693.5	3,611.5	1,486.5	319.0	657.9
1990	41,770.1	13,166.5	4,440.6	1,620.3	325.0	754.4
1990: 1 Q	10,271.8	3,351.3	1,095.2	450.9	93.6	172.8
2 Q	10,364.3	3,269.4	1,127.9	400.6	77.1	195.9
3 Q	10,616.5	3,326.6	1,109.3	403.9	75.4	202.7
4 Q	10,517.5	3,219.2	1,108.2	364.9	78.9	183.0
1991: 1 Q 3/	7,600.6	2,478.8	809.3	263.4	53.6	108.6
	Percent change from same period in previous year					
1982	3.4	5.3	10.3	15.3	2.0	-11.6
1983	-0.9	5.9	7.7	-2.0	25.3	-7.7
1984	11.5	9.7	12.6	17.5	16.2	5.5
1985	3.1	5.2	5.6	14.4	-2.4	1.5
1986	6.9	7.0	10.1	6.4	2.9	5.0
1987	11.0	8.7	9.7	16.9	2.1	4.0
1988	13.4	12.2	16.9	6.1	16.7	3.1
1989	13.4	11.3	8.2	4.0	3.5	8.4
1990	15.7	12.6	23.0	9.0	1.9	14.7
1990: 1 Q	10.3	8.2	14.4	7.8	4.6	-5.6
2 Q	16.3	14.7	20.7	12.2	-3.1	21.6
3 Q	18.9	12.8	22.2	7.4	4.7	27.7
4 Q	17.5	15.2	21.5	8.9	1.3	18.1
1991: 1 Q 3/	1.6	0.0	6.7	-19.5	-17.3	-18.5

Note: This series derived by lagging reported excise tax base data one month to adjust for reporting delay.

1/ Excludes sugar processing and pineapple canning. Manufacturing goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1989.

2/ The Department of Taxation has revised the method of reporting the taxable base by industry. Before 1988, nonspecified industry transactions were allocated to five major tax activities--retailing, services, contracting, hotel rentals, and all other rentals. Data for 1987 show results of both methods. Percentages are based on comparable series.

3/ Does not include April figures.

Source: Hawaii State Department of Taxation.

Table 5-2
COLLECTIONS OF SELECTED STATE TAXES AND GENERAL FUND TAX REVENUES: 1982 TO 1991

[Thousands of dollars]

Year	General excise and use tax 1/	Net individual income tax 2/	Net corporate income tax 3/	Tax revenues distributed to State General Fund 4/
1982	574,590	296,757	34,785	1,011,465
1983	615,536	358,072	27,960	1,109,876
1984	669,805	413,885	39,681	1,240,352
1985	707,381	446,358	44,075	1,325,791
1986	777,961	490,185	46,216	1,486,484
1987	869,039	574,729	67,272	1,731,226
1988	965,953	680,789	63,094	1,949,103
1989	1,096,476	801,999	72,677	2,157,005
1990	1,250,203	743,114	86,268	2,246,752
1990: 1 Q	313,128	201,604	22,506	595,969
2 Q	308,587	107,591	27,904	530,495
3 Q	314,328	215,990	29,076	531,250
4 Q	314,380	217,928	6,783	589,038
1991: 1 Q	345,988	252,599	23,720	654,221
	Percent change from same period in previous year			
1982	-0.1	-15.1	-20.2	-5.5
1983	7.1	20.7	-19.6	9.7
1984	8.8	15.6	41.9	11.8
1985	5.6	7.8	11.1	6.9
1986	10.0	9.8	4.9	12.1
1987	11.7	17.2	45.6	16.5
1988	11.2	18.5	-6.2	12.6
1989	13.5	17.8	15.2	10.7
1990	14.0	-7.3	18.7	4.2
1990: 1 Q	15.6	-1.7	-4.3	7.5
2 Q	14.0	-49.0	12.9	-10.6
3 Q	15.3	22.2	55.0	20.5
4 Q	11.3	4.2	19.2	3.6
1991: 1 Q	10.5	25.3	5.4	9.8

Note: This series represents data as reported by the Department of Taxation, without adjustment.

1/ Manufactured goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1988.

2/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.

3/ Declaration of estimated taxes, plus payments with returns, less refunds.

4/ Excludes non-tax sources. The State General Fund for the 3rd quarter declined due to a new $90 million allocation to the State Education Special Fund. Act 368 adopted by the 1989 State Legislature requires allocation of $90 million annually. Without this special allocation, general fund would have increased by 9.8 percent.

Source: Hawaii State Department of Taxation.

6. THE VISITOR INDUSTRY

Nearly 7 million visitors made Hawaii their destination during 1990, a 5.0 percent increase over 1989. The increase in fourth quarter arrivals for 1990 was 3.4 percent over the same quarter in 1989, as compared with the third quarter 1990 increase of 7.1 percent over the same quarter in 1989.

The War in the Gulf produced sluggishness in visitor arrivals during the first quarter of 1991. Fewer than 1.5 million visitor arrivals were reported in this period, a 13.5 percent decrease compared to the same quarter in 1990.

In 1990, 16.3 percent more eastbound visitors, buoyed by the Japanese, visited the State than in 1989. The Japanese market continued to show strength during 1990, marking several years of double-digit gains for Hawaii. A new data series on eastbound visitors is now available for the entire year of 1990. This series, which was initiated in October 1989, shows the number of eastbound visitors to each county. During the first quarter of 1991, Honolulu reported the largest decrease in the number of Eastbound visitors at a 17.6 percent loss, followed by Kauai County which had 13 percent fewer visitors, and Maui County where the eastbound visitor count dropped by 8.5 percent. Hawaii was the only County reporting an increase of 11.7 percent.

Westbound visitor arrivals for 1990 showed almost no change over 1989 with only a 0.3 percent increase, representing an increase of less than 15,000 arrivals. In the first quarter of 1991, westbound arrivals were down 11.6 percent, as compared with the first quarter of 1990.

Overall, the Statewide hotel occupancy rate declined slightly from 79.0 percent reported in 1989 to 78.8 percent in 1990. Oahu led with the highest occupancy rate of 86.4 percent, unchanged since 1989. Hawaii, Maui, and Kauai reported occupancy rates of 61 through 70 percent, and Molokai reported the lowest occupancy of 47.9 percent.

Table 6-1
VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS: 1980 TO 1991

Year 1/	Visitors staying overnight or longer			Average daily visitor census	
	Total	Westbound 2/	Eastbound 3/	Westbound 2/	All
1980	3,934,504	3,046,132	888,372	86,788	96,497
1981	3,934,623	2,974,791	959,832	85,449	95,968
1982	4,242,925	3,278,525	964,400	94,740	105,310
1983	4,368,105	3,396,115	971,990	97,390	108,040
1984	4,855,580	3,721,380	1,134,200	106,260	118,660
1985	4,884,110	3,708,610	1,175,500	103,820	116,700
1986	5,606,980	4,256,390	1,350,590	118,110	132,900
1987	5,799,830	4,204,010	1,595,820	116,780	134,300
1988	6,142,420	4,264,730	1,877,690	115,760	141,410
1989	6,641,820	4,705,320	1,936,500	135,500	169,700
1990	6,971,180	4,719,730	2,251,450	150,340	162,070
1990. 1 Q	1,714,750	1,179,430	535,320	(NA)	(NA)
2 Q	1,724,360	1,189,300	535,060	(NA)	(NA)
3 Q	1,879,910	1,245,320	634,590	(NA)	(NA)
4 Q	1,652,160	1,105,680	546,480	(NA)	(NA)
1991: 1Q	1,483,180	1,042,730	440,450	(NA)	(NA)
	Percent change from corresponding period in previous year				
1980	-0.7	-3.0	8.2	-3.2	-2.2
1981	0.0	-2.3	8.0	-1.5	-0.5
1982	7.8	10.2	0.5	10.9	9.7
1983	3.0	3.6	0.8	2.8	2.6
1984	11.2	9.6	16.7	9.1	9.8
1985	0.6	-0.3	3.6	-2.3	-1.7
1986	14.8	14.8	14.9	13.9	13.9
1987	3.4	-1.2	18.2	-1.1	1.1
1988	5.9	1.4	17.7	-0.9	5.3
1989	8.1	10.3	3.1	17.1	20.0
1990	5.0	0.3	16.3	11.0	-4.5
1990: 1 Q	1.8	-1.0	10.4	(NA)	(NA)
2 Q	7.4	3.8	16.4	(NA)	(NA)
3 Q	7.1	2.6	17.3	(NA)	(NA)
4 Q	3.4	-3.6	21.2	(NA)	(NA)
1991: 1 Q	-13.5	-11.6	-17.7	(NA)	(NA)

NA Not available.
p Preliminary.
1/ Beginning in 1984, sample size reduced from 20 to 10 percent and numbers rounded to the nearest 10.
2/ Arriving from the Mainland United States or Canada.
3/ Arriving from the Orient and Pacific areas.
Source: Hawaii Visitors Bureau.

Table 6-2
WESTBOUND VISITORS, BY COUNTY: 1981 TO 1991

Year 1/	City and County of Honolulu	Hawaii County	Maui County	Kauai County
1981	2,398,477	672,683	1,389,892	757,811
1982	2,589,190	678,170	1,550,080	733,295
1983	2,591,575	712,380	1,644,605	691,940
1984	2,901,320	760,940	1,854,690	814,590
1985	2,828,640	697,380	1,831,110	832,580
1986	3,146,030	786,930	2,003,870	1,014,650
1987	3,078,500	782,550	1,908,780	1,032,840
1988	3,013,860	782,360	1,884,050	1,043,710
1989	3,205,800	946,540	2,113,100	1,138,230
1990	3,171,630	982,900	1,995,160	1,118,930
1990: 1 Q	756,110	263,690	501,600	265,790
2 Q	806,300	239,910	506,080	292,520
3 Q	871,770	244,310	523,800	304,870
4 Q	737,450	234,990	463,680	255,750
1991: 1 Q	671,370	244,090	438,840	235,490
	Percent change from corresponding period in previous year			
1982	8.0	0.8	11.5	-3.2
1983	0.1	5.0	6.1	-5.6
1984	12.0	6.8	12.8	17.7
1985	-2.5	-8.4	-1.3	2.2
1986	11.2	12.8	9.4	21.9
1987	-2.1	-0.6	-4.7	1.8
1988	-2.1	-0.0	-1.3	1.1
1989	6.4	21.0	12.2	9.1
1990	-1.0	3.8	-5.6	-1.7
1990: 1 Q	-5.0	11.9	-8.2	-6.7
2 Q	4.0	6.8	-5.3	1.3
3 Q	2.5	-1.0	-2.9	1.9
4 Q	-5.9	-1.8	-6.0	-3.6
1991: 1 Q	-11.2	-7.4	-12.5	-11.4

1/ Beginning in 1984, sample size changed from 20 to 10 percent.
Source: Hawaii Visitors Bureau.

Table 6-3
EASTBOUND VISITORS, BY COUNTY

Period 1/	City and County of Honolulu	Hawaii County	Maui County	Kauai County
1990	2,159,210	185,820	390,800	165,760
1 Q	513,350	39,730	90,410	42,920
2 Q	513,130	45,940	95,330	42,140
3 Q	602,600	51,500	110,700	39,680
4 Q	530,130	48,650	94,360	41,020
1991: 1 Q	422,800	44,380	82,770	37,350
	Percent change from corresponding period in previous year			
1991: 1 Q	-17.6	11.7	-8.5	-13.0

1/ New data series began in October 1989. No comparable data before that date.
Source: Hawaii Visitors Bureau, *Monthly Highlights.*

Table 6-4
AVERAGE DAILY HOTEL ROOM RATES, BY ISLAND: 1980, 1985 TO 1990

[Dollars]

Year	State	Oahu	Hawaii	Maui	Kauai	Molokai
1980	47.37	42.70	46.40	61.34	55.16	(NA)
1985	65.66	57.00	65.35	96.75	69.51	(NA)
1986	72.67	61.99	73.88	115.33	71.56	56.73
1987	80.09	69.04	82.21	127.05	81.65	64.26
1988	87.25	75.16	87.28	133.70	89.44	59.06
1989	95.83	84.48	121.27	133.65	92.77	66.38
1990	101.90	93.21	126.17	129.19	92.03	65.65
	Percent change from previous year					
1980	6.7	3.1	12.0	7.3	15.5	(NA)
1985	10.8	15.3	14.3	8.8	6.9	(NA)
1986	11.5	9.0	15.1	17.5	8.4	(NA)
1987	10.2	11.4	11.3	10.2	14.1	13.3
1988	8.9	8.9	6.2	5.2	9.5	-8.1
1989	9.8	12.4	38.9	-0.0	3.7	12.4
1990	6.3	10.3	4.0	-3.3	-0.8	-1.1

NA Not available.
Source: Pannell Kerr Forster & Company, *Trends in the Hotel Industry, Hawaii.*

Table 6-5
HOTEL OCCUPANCY RATES, BY ISLAND: 1986 TO 1991

[Percent; survey excludes some large hotel chains]

Date	State	Oahu	Hawaii	Maui	Kauai	Molokai
1986	81.2	85.2	62.2	82.7	76.7	50.3
1987	81.1	86.8	60.8	76.2	74.2	45.4
1988	78.5	85.4	56.4	73.4	66.9	45.3
1989	79.0	86.4	60.8	69.2	71.3	45.4
1990	78.8	86.4	61.2	70.0	67.8	47.9
1989:						
January	82.8	92.6	61.2	68.8	66.4	56.1
February	90.0	95.2	72.2	85.1	83.8	61.8
March	85.0	91.2	64.0	79.8	75.3	51.3
April	74.1	77.6	64.5	72.1	69.1	44.5
May	70.9	76.9	55.3	64.0	65.1	42.8
June	76.8	87.6	52.5	60.4	67.8	34.5
July	80.9	88.8	63.8	69.5	73.8	38.4
August	86.6	94.2	67.6	74.2	84.1	44.8
September	75.5	85.1	51.0	60.6	67.4	42.3
October	75.6	81.0	59.6	67.7	73.9	44.3
November	77.7	84.1	60.6	69.2	70.5	46.2
December	74.0	83.1	58.0	60.2	58.1	38.9
1990:						
January	80.9	90.7	70.7	67.3	59.1	59.4
February	88.8	95.3	76.9	81.6	76.4	78.1
March	82.4	88.7	64.5	78.0	71.0	56.2
April	76.2	82.5	60.8	69.4	67.9	53.4
May	74.9	81.5	55.8	67.9	67.7	54.2
June	79.5	88.7	55.3	67.9	66.4	47.6
July	81.2	89.7	55.8	72.2	71.6	42.8
August	85.6	91.8	67.1	78.1	79.2	40.0
September	74.4	83.0	51.2	64.1	65.6	35.2
October	76.5	82.5	65.2	67.6	70.5	41.7
November	77.6	84.7	62.5	66.0	69.6	44.5
December	67.8	77.4	47.9	55.7	52.6	33.2
1991:						
January	71.2	80.8	57.1	55.8	47.5	41.8
February	67.5	73.0	61.2	58.8	56.0	47.0
March	64.9	67.9	57.0	65.3	53.7	42.3

Note: Survey excludes some large hotel chains.
Source: Pannell Kerr Forster & Company, *Trends in the Hotel Industry, Hawaii.*

Table 6-6
VISITOR ACCOMMODATIONS IN HAWAII, BY TYPE: 1977 TO 1990

[As of February]

Year and Island	Properties			Units		
	Total	Hotels 1/	Condo-miniums 2/	Total	Hotels 1/	Condo-miniums 2/
1977	335	(NA)	(NA)	44,986	39,901	5,085
1978	353	(NA)	(NA)	47,070	40,001	7,069
1979	381	(NA)	(NA)	49,832	41,299	8,533
1980	387	(NA)	(NA)	54,246	42,609	11,637
1981	412	214	198	56,769	42,575	14,194
1982	417	208	209	57,968	43,568	14,400
1983	426	218	208	58,765	45,352	13,413
1984	443	209	234	62,448	44,846	17,602
1985	481	207	274	65,919	44,115	21,804
1986	523	201	322	66,308	43,309	22,999
1987	510	196	314	65,318	43,422	21,896
1988	481	203	278	69,012	47,892	21,120
1989	455	194	261	68,189	48,970	19,219
1990	537	218	319	72,237	52,143	20,094
ISLANDS: 1990						
Oahu	175	113	62	37,270	31,901	5,369
Waikiki 3/	140	93	47	33,558	28,610	4,948
Rest of Oahu	35	20	15	3,712	3,291	421
Other islands	362	218	257	34,967	20,242	14,725
Hawaii	92	33	59	8,952	6,691	2,261
Kauai	90	30	60	7,846	4,940	2,906
Maui	169	37	132	17,361	8,033	9,328
Molokai	7	2	5	443	216	227
Lanai	4	3	1	365	362	3

NA Not available.

1/ Hotels, apartment hotels, motels, and cottages.

2/ Condominium accommodations in rental pools for transient use.

3/ Includes Diamond Head and Kahala but not areas ewa and mauka (west and north) of the Ala Wai Canal.

Source: Hawaii Visitors Bureau, *Visitor Plant Inventory*, 1977 to 1990.

7. CONSTRUCTION

Current construction activity remains strong. Total private building authorizations rebounded in the fourth quarter of 1990 and the first quarter of 1991, increasing by 75.3 percent and 87.9 percent over the same periods in the previous year.

Construction activity during 1990 continued at a very strong pace, with the taxable value up 29 percent from 1989. The value of construction subject to the State excise tax has continued increasing at a double-digit pace for the past six years, and this growth has continued onto a seventh year. The first quarter of 1991 reported value of construction completed for the first two months of the year, adjusted to reflect a reporting delay of one month, up 22.6 percent over the same two months in 1990. Excluding authorizations for Maui County, total private building authorizations for the first quarter of 1991 rose by 87.9 percent over the first quarter of 1990. The residential and commercial and industrial sectors reported increases of 108.8 and 125.2 percent, respectively.

There were 29,900 construction jobs in 1990, an increase of 2.4 percent over the job count in 1989. The number of construction jobs rose to 32,500 in the first quarter of 1991, an increase of 8.1 percent over the first quarter of 1990.

New government contracts awarded for construction have also increased. The value of contracts at all levels of government increased 8 percent in 1990 and 108.9 percent in the first quarter of 1991, compared to the same period in 1990.

Table 7-1
ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED: 1985 TO 1991

[Millions of dollars]

Year	Value of construction completed 1/	Private building authorizations				Government contracts awarded
		Total private authorization	Residential	Commercial and industrial 2/	Additions and alterations	
1985	1,429.6	889.0	500.1	208.8	180.1	248.5
1986	1,810.0	1,024.1	455.5	266.3	302.3	425.1
1987	2,145.5	1,161.9	507.0	344.4	310.5	372.2
1988	2,529.0	1,540.3	686.0	538.9	315.4	654.3
1989	3,193.0	1,882.4	910.7	561.7	409.9	741.6
1990	4,121.6	2,122.1	1,000.8	669.8	451.5	800.6
1990: 1 Q	868.2	422.4	244.9	78.6	98.9	133.7
2 Q	1,001.3	545.4	292.5	108.7	144.2	90.0
3 Q	1,148.5	475.6	192.2	171.1	112.2	349.7
4 Q	1,103.6	678.7	271.2	311.4	96.2	227.2
1991: 1 Q	4/ 749.5	3/ 793.9	3/ 511.4	3/ 177.0	3/ 105.4	279.3
	Percent change from corresponding period in previous year					
1985	16.5	52.9	52.6	100.8	20.2	-39.6
1986	26.6	15.7	-10.6	32.7	68.7	71.1
1987	18.5	13.5	11.3	29.3	2.7	-12.4
1988	26.0	32.6	35.3	56.5	1.6	75.8
1989	26.3	22.2	32.8	4.2	30.0	13.3
1990	29.1	12.7	9.9	19.2	10.1	8.0
1990: 1 Q	26.3	1.3	44.9	-47.9	1.9	-26.7
2 Q	25.5	0.6	-11.2	-11.7	61.3	-15.4
3 Q	35.7	-11.3	-20.1	6.3	-16.6	126.2
4 Q	27.1	75.3	58.0	145.8	8.3	-23.8
1991: 1 Q	4/ 22.6	3/ 87.9	3/ 108.8	3/ 125.2	3/ 6.6	108.9

1/ Value of construction subject to State excise tax, adjusted to reflect reporting delay of about one month.
2/ Includes hotels.
3/ Excludes authorizations for Maui County for February and March.
4/ Figure includes only February and March data. April is not available.
Source: Hawaii State Department of Taxation; County building departments; Trade Publishing Company, *Building Industry Digest: BID Service Weekly.*

Table 7-2
ESTIMATED VALUE OF PRIVATE BUILDING CONSTRUCTION AUTHORIZATIONS, BY COUNTY: 1980 TO 1991

[Millions of dollars]

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
1980	1,219.2	686.3	146.0	133.3	253.7
1981	802.0	454.1	136.5	67.7	143.7
1982	683.1	473.0	75.2	44.2	90.7
1983	685.2	366.8	86.7	140.5	91.3
1984	581.5	378.3	90.3	53.0	59.8
1985	889.0	524.8	121.3	63.9	178.9
1986	1,024.1	545.3	231.5	93.2	154.1
1987	1,161.9	749.5	145.2	103.5	163.8
1988	1,540.3	743.1	175.0	213.7	408.5
1989	1,882.4	1,047.7	338.1	178.7	317.9
1990	2,122.1	996.8	450.0	241.4	433.9
1990: 1 Q	422.4	195.1	103.8	57.9	65.6
2 Q	545.3	305.7	84.3	67.6	87.7
3 Q	475.6	223.6	140.7	40.7	70.5
4 Q	678.7	272.4	121.1	75.1	210.1
1991: 1 Q 1/	793.9	577.6	146.2	43.3	26.8
	Percent change from corresponding period in previous year				
1980	39.4	36.9	30.1	17.1	72.0
1981	-34.2	-33.8	-6.5	-49.2	-43.4
1982	-14.8	4.2	-44.9	-34.7	-35.0
1983	0.3	-22.4	15.3	217.5	0.6
1984	-15.1	3.1	4.3	-62.3	-34.4
1985	52.9	38.7	34.3	20.5	199.0
1986	15.2	3.9	90.8	45.9	-13.9
1987	13.5	37.5	-37.3	11.0	6.3
1988	32.6	-0.9	20.5	106.5	149.4
1989	22.2	41.0	93.2	-16.4	-22.2
1990	12.7	-4.9	33.1	35.1	36.5
1990: 1 Q	1.3	-13.3	-0.3	69.2	22.2
2 Q	0.6	-7.8	15.6	101.8	-15.9
3 Q	-11.3	-18.3	52.3	-40.3	-30.7
4 Q	75.3	25.2	76.5	75.5	261.6
1991: 1 Q 1/	87.9	196.0	40.8	-25.2	-59.1

NA Not available.
1/ Excludes authorizations for Maui County for February and March.
Source: County building departments.

Table 7-3
ESTIMATED VALUE OF GOVERNMENT CONSTRUCTION CONTRACTS AWARDED IN HAWAII, BY AWARDING AGENCY: 1980 TO 1991

[Millions of dollars]

Year	Total	Federal	State	County
1980	230.6	66.5	120.0	44.1
1981	427.5	176.1	180.5	70.9
1982	392.7	139.6	182.0	71.2
1983	277.9	84.7	126.8	66.4
1984	411.8	130.0	196.7	85.1
1985	248.5	74.8	93.8	79.9
1986	425.1	101.9	205.4	117.8
1987	372.2	107.9	174.2	90.1
1988	654.3	170.5	351.5	132.3
1989	741.6	135.1	400.3	206.2
1990	800.6	100.5	549.8	150.3
1990: 1 Q	133.7	21.0	62.0	50.7
2 Q	90.0	3.1	53.4	33.5
3 Q 1/	349.7	17.3	313.2	19.2
4 Q	227.2	59.1	121.3	46.8
1991: 1 Q	279.3	51.0	175.7	28.9
	Percent change from corresponding period in previous year			
1980	-40.7	-37.1	-45.7	-28.8
1981	85.4	164.8	50.5	60.6
1982	-8.1	-20.7	0.8	0.4
1983	-29.3	-39.3	-30.3	-6.7
1984	48.2	53.4	55.1	28.2
1985	-39.6	-42.4	-52.3	-6.2
1986	71.1	36.2	119.1	47.4
1987	-12.4	5.9	-15.2	-49.3
1988	75.8	58.0	101.8	46.8
1989	13.3	-20.8	13.9	55.9
1990	8.0	-25.6	37.3	-27.1
1990: 1 Q	-26.7	-42.0	-4.1	-37.9
2 Q	-15.4	-76.9	-20.5	29.8
3 Q 1/	126.2	-29.1	308.6	-64.2
4 Q	-23.8	-3.2	-36.8	3.7
1991: 1 Q	108.9	142.6	183.4	-43.0

1/ Includes $108,464,186.00 contract awarded for a portion of the H-3 freeway.

Source: Trade Publishing Co., *Building Industry Digest: BID Service Weekly*, and First Hawaiian Bank, Research Division.

Note: Figures may not add to totals due to rounding.

Table 7-4
NUMBER OF SINGLE-FAMILY AND MULTI-FAMILY HOUSING UNITS AUTHORIZED BY COUNTY: 1980 TO 1991

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Single-family and duplex units:					
1980	4,058	1,645	1,204	401	808
1981	2,649	728	1,048	409	464
1982	2,285	725	800	230	530
1983	3,417	1,627	938	291	561
1984	4,442	2,513	928	361	640
1985	4,951	2,436	1,046	453	1,016
1986	4,700	2,173	1,144	438	945
1987	6,066	2,870	1,442	599	1,155
1988	6,191	2,158	1,674	702	1,657
1989	6,858	2,105	2,690	881	1,182
1990	6,008	1,927	2,075	878	1,128
1990: 1 Q	1,922	722	527	319	354
2 Q	1,482	495	486	264	237
3 Q	1,132	304	452	150	226
4 Q	1,472	406	610	145	311
1991: 1 Q 1/	993	273	508	153	59
Multi-family units:					
1980	6,603	3,297	727	766	1,813
1981	3,142	1,873	270	64	935
1982	4,594	4,109	245	118	122
1983	1,341	1,220	38	73	10
1984	1,021	829	153	35	4
1985	2,450	1,807	128	84	431
1986	2,479	1,986	21	-	472
1987	1,459	785	138	-	536
1988	2,593	1,168	446	21	958
1989	2,939	1,762	363	30	784
1990	2,893	1,257	580	308	748
1990: 1 Q	495	107	388	-	-
2 Q	911	475	96	6	334
3 Q	349	190	44	79	36
4 Q	1,138	485	52	223	378
1991: 1 Q 1/	2,096	1,523	562	-	11

1/ Excludes February and March figures for Maui County .
Source: County building departments.

Table 7-5
HONOLULU CONSTRUCTION COST INDEXES: 1983 TO 1991

[1982=100]

Year	Single-family residence			High-rise building		
	All components	Material prices	Labor 1/	All components	Material prices	Labor 1/
1983	109.5	111.3	107.3	106.9	107.4	106.7
1984	114.3	113.1	115.8	110.9	108.0	114.2
1985	117.4	115.2	120.1	113.5	108.7	118.2
1986	121.5	119.1	124.4	116.8	110.8	122.4
1987	125.7	123.7	128.2	120.7	114.9	125.8
1988	132.8	133.2	132.2	126.1	121.6	129.9
1989	138.5	137.2	140.3	133.2	126.7	138.8
1990	145.7	145.1	146.4	142.1	138.5	145.2
1990: 1 Q	140.4	136.9	144.8	135.4	126.5	143.1
2 Q	141.6	139.2	144.8	137.1	129.7	143.5
3 Q	149.0	151.1	146.4	146.7	148.4	145.3
4 Q	151.6	153.2	149.5	149.3	149.6	149.1
1991: 1 Q	151.0	152.0	149.7	148.4	147.6	149.2
	Percent change from corresponding period in previous year					
1983	9.5	11.3	7.3	6.9	7.4	6.9
1984	4.3	1.6	7.9	3.8	0.6	7.0
1985	2.7	1.9	3.7	2.4	0.6	3.5
1986	3.5	3.4	3.6	2.9	1.9	3.6
1987	3.5	3.8	3.0	3.4	3.7	2.8
1988	5.6	7.7	3.2	4.4	5.9	3.4
1989	4.3	3.0	6.1	5.6	4.2	6.9
1990	5.2	5.8	4.3	6.7	9.3	4.6
1990: 1 Q	2.4	0.7	4.5	3.0	1.0	4.8
2 Q	2.2	0.7	4.2	3.2	1.8	4.4
3 Q	7.7	10.6	4.2	10.4	18.0	4.5
4 Q	8.2	11.2	4.5	10.0	16.5	5.0
1991: 1 Q	7.5	11.0	3.4	9.6	16.7	4.3

1/ Includes wages and benefits.

Source: First Hawaiian Bank, Research Division.

Table 8-1
RECENT ECONOMIC AND DEMOGRAPHIC TRENDS: STATE OF HAWAII

Series 1/	Unit	Period	Number	Percent change from same period in previous year
Resident population (p)	Persons	4/1/90	1,108,229	14.9
City and County of Honolulu	Persons	4/1/90	836,231	9.7
Hawaii County	Persons	4/1/90	120,317	30.7
Kauai Island	Persons	4/1/90	50,947	30.9
Maui Island	Persons	4/1/90	91,361	45.4
Molokai	Persons	4/1/90	6,717	11.5
Lanai	Persons	4/1/90	2,426	14.5
Niihau	Persons	4/1/90	230	1.8
Personal income	$ Million	1990	22,446	9.6
Consumer price index (CPI-U):				
Honolulu	(1982-84 = 100)	1990	138.1	7.3
U.S.	(1982-84 = 100)	1990	130.7	5.4
Construction:				
Private permits	$ Million	1991 1Q	793.9	87.9
Residential permits	$ Million	1991 1Q	511.4	108.8
New single-family units	Number	1991 1Q	993	- 48.3
New multi-family units	Number	1991 1Q	2,096	323.4
Commercial & industrial	$ Million	1991 1Q	177	125.2
Additions & alterations	$ Million	1991 1Q	105.4	6.6
Government contracts awarded	$ Million	1991 1Q	279.3	108.9
Construction cost indexes (Hon):				
Single-family units	(1982 = 100)	1991 1Q	151.0	7.5
High-rise buildings	(1982 = 100)	1991 1Q	148.4	9.6
Employment (p):				
Civilian labor force	Persons	1991 1Q	551,217	4.1
Civilian employment	Persons	1991 1Q	536,700	4.5
Civilian unemployment	Persons	1991 1Q	14,550	-8.5
Unemployment rate	Percent	1991 1Q	2.6	-1.3
Total jobs	Number	1991 1Q	585,050	3.4
Visitor industry:				
Total visitors	Number	1991 1Q	1,483,180	-13.5
Westbound	Number	1991 1Q	1,042,730	-11.6
Eastbound	Number	1991 1Q	440,450	-17.7
Hotel/condo units for visitor use	Number	1990	72,237	5.9
Sugar production (p)	$ Million	1989	322.0	-0.6
Pineapple sales (p)	$ Million	1989	241.9	-2.1

p Provisional estimates.
1/ Statewide data, unless indicated otherwise.

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QUARTERLY

2nd QUARTER 1991

STATE OF HAWAII 1959

Quarterly Statistical & Economic Report

This quarterly report has been prepared by the staff of the Research and Economic Analysis Division of the State Department of Business, Economic Development & Tourism (DBED) under the direction of Dr. Richard Y. P. Joun, Division Head. It presents information and analysis concerning current statistical and economic trends affecting Hawaii. Technical notes and source descriptions have been kept to a minimum. However, the staff of the Research and Economic Analysis Division would be happy to respond to any inquiries of a technical nature that readers may have (586-2466).

The information contained in this report reflects data received by the Research Division on or before August 26, 1991.

2nd Quarter 1991

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1. Population Change, Economic Development and Educational Planning in Hawaii: 1980 to 1990 and Beyond

Introduction

An educated and skilled work force is an essential prerequisite for economic development in a modern economy. Educational institutions, therefore, play an important role in economic development. Enrollment of students at different levels of the school system is, however, affected by demographic and economic changes. For example, changes in birth rates will ultimately affect the number of young people in each age group (cohort) who will move up the ladder of the education system. Changes in geographic distribution of economic activities and accompanying changes in the population distribution will also determine the need for educational facilities at different locations. Population change, needs of the educational system, and economic development are, therefore, closely related to one another. Educational institutions will be affected by economic and demographic changes and they will, in turn, affect future economic and demographic change.

The demographic and economic changes which have taken place during the last ten years, as revealed in the 1990 census, show important trends that will affect the planning by educational institutions in Hawaii. The knowledge of these trends will be needed by the decision makers in the educational system and others who will influence the educational system (i.e., legislators, government and business leaders). The purpose of this article is to describe the major demographic and economic changes which have taken place between 1980 and 1990 and draw some tentative implications from such changes for Hawaii's educational system.

Demographic Changes: 1980-1990

The 1990 decennial census results show that the official resident population of the State on April 1 of that year was 1,108,229. Growth during the 1980-1900 decade was 14.9 percent, the lowest since the 14.8 percent increase recorded in the 1930s. Even so, the Hawaii rate far surpassed the nationwide population growth of 9.8 percent. Growth on the Neighbor Islands greatly exceeded that on Oahu, although 75.5 percent of the population continued to live on Oahu. As tables in this report show, total population growth rates between 1980 and 1990 were 9.7 percent for Honolulu, 30.7 percent for the Big Island, 30.9 percent for Kauai, and 41.3 percent for Maui.

Oahu's share of the State population rose from 61.0 percent in 1940 to 81.9 percent in 1970, then began to decline, to 79.0 percent in 1980 and 75.5 percent in 1990. Neighbor Island populations, which had been decreasing since the 1930s, started to recover after 1960 and during the past ten years far outpaced Oahu's growth.

The fastest growing district in the State during the past decade was South Kohala on the Big Island which recorded an increase in resident population of 98.4 percent. Other fast growing districts were Puna (up 76.8 percent), Hanalei (73.6 percent), North Kona (62.1 percent), and Makawao (53.7 percent). The only declines occurred in North Hilo (-8.2 percent) and Kalawao (-9.7 percent).

The demand for educational services and facilities, therefore, has been greater for the fast-growing Neighbor Islands, especially for some of the districts which experienced very rapid growth.

In addition to the geographical redistribution of the State's population, significant changes have occurred in age distribution, as table 1-1 shows. Due to the aging of the "baby boom" generation, those who were born between 1946 and 1964, the State's population group between 21 to 44 years old has increased 30.2 percent, while

those 18 to 20 years old showed a decrease of 17.1 percent during the 1980-1990 period. The population under 18 years old in Hawaii, as a result, has increased only 1.6 percent. Consequently, their share of the State's population has decreased from 28.6 percent to 25.3 percent. The population 65 years and over, on the other hand, has increased 64.2 percent and their share of the population has increased from 7.9 percent in 1980 to 11.3 percent in 1990. The increase in birth rates in recent years, however, shows that the population under 5 years increased 6.9 percent between 1980 and 1990. This "echo boom" of births to baby boomers is not over yet, and it may keep the country on a demographic roller coaster ride in years to come, according to Thomas Exter (*American Demographics*, July, 1991).

The natural increase in the population (births minus deaths) accounted for 52.7 percent of the increase in the State's civilian population, or 78,745 persons, between 1980 and 1990. Net migration accounted for the rest of the population increase: 71,338 persons or 47.8 percent. If the military and their dependents are included in the population count, the natural increase has been 143,538 but net migration only 31,390 persons. This difference reflects the high birth rate of military couples, whose children leave the State within a few years.

The age distribution in 1990 was similar among the counties in Hawaii since they are generally affected by the national trend of birth rate and life style. Significant differences, however, exist between Oahu and the Neighbor Island counties as to the relative growth rates of the different age groups. For example, the population under 18 years old on Oahu actually declined from 214,563 to 204,613, or by 9,950, between 1980 and 1990. The same population group on the Big Island increased from 28,164 to 34,515, or 6,351 during the same period. Due to the rapid increase in population in other age groups, the population under 18 years old on the Big Island still accounted for a smaller share of the total population: 28.7 percent, in 1990 as compared with the 30.6 percent share in 1980. The share of population under 18 years old on Oahu declined from 31.7 percent in 1980 to 24.5 percent in 1990.

Although the growth rates of the Neighbor Island populations are higher than Oahu's, Oahu still accounted for three-fourths of the 1990 State population total with 836,231 residents, followed by the Big Island (120,317), Maui County (100,504), and Kauai County (51,177).

Thus, geographic and structural population shifts have tended to reduce the need for educational facilities on Oahu but increase them on the Neighbor Islands. An examination of population shifts within districts around Oahu would probably show similar cases of increasing demand in some areas (Ewa and Central Oahu) with declines in educational demands in other areas (Honolulu).

Economic Changes

While the need for educational facilities depends on the age and geographical distribution of the population, the job opportunities for Hawaii's students after graduation will be determined by the economic conditions. The booming State economy reduced the unemployment rate to 2.7 percent in 1990, lowest since 1980, as table 4-2 shows. The total number of jobs increased from 448,300 to 571,450 between 1980 and 1990, or over 27 percent. This high rate of job creation, coupled with a shrinkage in the 18-to-24-year-old age group, has lowered the unemployment rate and has also increased labor force participation rates, especially for women and minority groups.

Most of the increase in jobs from 1980 to 1990 was generated by the visitor industry, service sectors, and State and local governments. Visitor arrivals increased from 3.9 million to almost 7 million during the same time period. In 1990, the service industries, including hotels, accounted for 151,150 jobs, followed by trade (135,100 jobs), and government (105,250 jobs) out of 571,550 total jobs in Hawaii, as table 4-4 shows.

Projection vs. Actual Change

One of the primary ways educational planners can anticipate future needs is familiarity with long-range economic and population forecasts. Many of the trends outlined above were anticipated by the population projections issued by DBED during the past decade. The most recent such projections, designated "M-K", were released in 1988 but were largely based on 1985 data (see the *Quarterly Statistical and Economic Report, 4th Quarter 1988* for a review of the M-F projections and their interpretation). How accurate were these forecasts?

Overall, the M-K projection for 1990 was 2.6 percent higher than the census count. One reason for this deviation is the too-high, 1985 intercensal population estimates by the Census Bureau available at the time the projections were prepared and used as their basis. Another was the assumption that the armed forces and their dependents would hold steady at their 1985 levels. In reality, their numbers have declined rather sharply. If the comparison is limited to the civilian population, the DBED projection erred by 2.4 percent.

It should be stressed that these comparisons are based on the enumerated census totals, unadjusted for any net undercount. The Post-Enumeration Survey conducted by the Bureau of the Census after the regular census was completed indicated that the "true" population of Hawaii was probably around 1,136,000, and that there was thus a net underenumeration of 2.4 percent, exactly the margin of error in the projections. Although the Bureau has decided against making adjustments to the published census totals, either here or elsewhere, a number of political jurisdictions have brought suit to compel such adjustments. No legal decisions on the matter are expected in the near future, however, and the enumerated totals, for the time being at least, must be considered as "official."

The M-K projections of de facto population were better than those for resident population, exceeding the actual 1990 State total by only 1.7 percent. The visitor census, a major element in the de facto projections, was underestimated by 4.1 percent, partly compensating for the overestimate of the resident total.

By geographic area, the M-K forecasts of resident population were 3.0 percent too high for Oahu but only 1.3 percent over the Neighbor Island enumerated total. The 1990 Big Island and Kauai County projected totals overstated growth (by 3.6 and 5.7 percent, respectively) while Maui County was underestimated (by 3.7 percent).

The actual number of visitor arrivals, 7 million, is 7.7 percent higher than the projected number of 6.5 million visitor arrivals forecast for 1990.

As table 1-6 shows, the actual growth of jobs in 1990 also exceeded the projected growth in construction by 41 percent; transportation (21 percent); hotels (12.5 percent); health and professional services (12.5 percent); and other services (11.6 percent). Jobs in the sugar and pineapple industries decreased much more than projected. Jobs in other agriculture and miscellaneous manufacturing sectors have not increased as much as projected.

Conclusion

The 1990 census findings, already available or soon to be released, will unquestionably provide a firmer basis for fine-tuning DBED's long-range projections and foreseeing the future course of Hawaii's population. The new census results confirm the aging of our residents and point to shifting need for educational services.

Observed economic changes, on the other hand, have affected the number and kinds of jobs available in Hawaii. Growth in the visitor industry and related service industries was faster than projected and has provided most of the additional jobs in recent years. Although the increase in the total number of jobs has reduced the overall unemployment level in recent years, increases in the State's technical and

professional jobs (as opposed to service and retail jobs) may not be sufficient to accommodate the growing needs of Hawaii's yearly graduates with technical degrees from colleges. This in turn underscores the State's efforts to diversify the economy into emerging growth areas such as electronics, communications, biotechnology, and educational and professional service exports.

Thus, the dilemma for educational planners is to support the emerging educational needs of a more diversified economy and population while staying ahead of the structural and geographic population shifts which can play havoc with facilities and staffing management. DBED hopes that its long-range population and economic forecasting project can be a major resource in that vital effort.

Table 1-1.-- SELECTED POPULATION CHARACTERISTICS FOR THE STATE OF HAWAII: 1980 AND 1990

Subject	1980	1990	Change	
			Number	Percent
Total population	964,691	1,108,229	143,538	14.9
Sex:				
Male	494,683	563,891	69,208	14.0
Female	470,008	544,338	74,330	15.8
Males per 100 females	105.2	103.6	-1.6	-1.5
Age:				
Under 5 years	77,848	83,223	5,375	6.9
5 to 17 years	197,735	196,903	-832	-0.4
18 to 20 years	58,547	48,549	-9,998	-17.1
21 to 24 years	83,773	72,636	-11,137	-13.3
25 to 44 years	291,017	379,035	88,018	30.2
45 to 54 years	94,444	108,775	14,331	15.2
55 to 59 years	47,383	45,375	-2,008	-4.2
60 to 64 years	37,794	48,728	10,934	28.9
65 to 74 years	49,375	78,653	29,278	59.3
75 to 84 years	21,214	35,955	14,741	69.5
85 years and over	5,561	10,397	4,836	87.0
Median age	28.3	32.6	4.3	15.2
Under 18 years	275,583	280,126	4,543	1.6
Percent of total population	28.6	25.3	(X)	(X)
65 years and over	76,150	125,005	48,855	64.2
Percent of total population	7.9	11.3	(X)	(X)
Households by type:				
Total households	294,052	356,267	62,215	21.2
Family households (families)	226,035	263,456	37,421	16.6
Married-couple families	185,698	210,468	24,770	13.3
Percent of total households	63.2	59.1	(X)	(X)
Other family, male householder	10,915	15,579	4,664	42.7
Other family, female householder	29,422	37,409	7,987	27.1
Nonfamily households	68,017	92,811	24,794	36.5
Percent of total households	23.1	26.1	(X)	(X)
Householder living alone	(NA)	68,985	(NA)	(NA)
Householder 65 years and over	(NA)	20,933	(NA)	(NA)
Persons living in households	925,092	1,070,597	145,505	15.7
Persons per household	3.15	3.01	-0.14	-4.4
Group quarters:				
Persons living in group quarters	39,599	37,632	-1,967	-5.0
Institutionalized persons	5,785	7,805	2,020	34.9
Other persons in group quarters	33,814	29,827	-3,987	-11.8

X Not applicable

NA Not available.

Source: U.S. Bureau of the Census, *1980 Census of Population, General Population Characteristics, Hawaii*, PC80-1-B13 (July 1982), and Release CB91-133 (April 22, 1991).

Table 1-2.-- SELECTED POPULATION CHARACTERISTICS FOR THE CITY AND COUNTY OF HONOLULU: 1980 AND 1990

Subject	1980	1990	Change	
			Number	Percent
Total population	762,565	836,231	73,666	9.7
Sex:				
Male	391,903	425,994	34,091	8.7
Female	370,662	410,237	39,575	10.7
Males per 100 females	105.7	103.8	-1.9	-1.8
Age:				
Under 5 years	60,154	61,931	1,777	3.0
5 to 17 years	154,409	142,682	-11,727	-7.6
18 to 20 years	49,510	39,017	-10,493	-21.2
21 to 24 years	89,282	60,460	-28,822	-32.3
25 to 44 years	232,786	287,192	54,406	23.4
45 to 54 years	74,775	81,899	7,124	9.5
55 to 59 years	36,645	34,560	-2,085	-5.7
60 to 64 years	28,452	36,658	8,206	28.8
65 to 74 years	35,932	58,279	22,347	62.2
75 to 84 years	15,428	25,939	10,511	68.1
85 years and over	4,008	7,614	3,606	90.0
Median age	28.0	32.2	4.2	15.0
Under 18 years	214,563	204,613	-9,950	-4.6
Percent of total population	31.7	24.5	(X)	(X)
65 years and over	55,368	91,832	36,464	65.9
Percent of total population	7.3	11.0	(X)	(X)
Households by type:				
Total households	230,214	265,304	35,090	15.2
Family households (families)	176,916	197,294	20,378	11.5
Married-couple families	145,333	158,438	13,105	9.0
Percent of total households	63.1	59.7	(X)	(X)
Other family, male householder	8,115	11,083	2,968	36.6
Other family, female householder	23,468	27,773	4,305	18.3
Nonfamily households	53,298	68,010	14,712	27.6
Percent of total households	7.0	25.6	(X)	(X)
Householder living alone	(NA)	51,006	(NA)	(NA)
Householder 65 years and over	(NA)	14,868	(NA)	(NA)
Persons living in households	725,865	802,338	76,473	10.5
Persons per household	3.15	3.02	-0.1	-4.1
Group quarters:				
Persons living in group quarters	36,700	33,893	-2,807	-7.6
Institutionalized persons	4,565	6,365	1,800	39.4
Other persons in group quarters	32,135	27,528	-4,607	-14.3

X Not applicable

NA Not available.

Source: U.S. Bureau of the Census, *1980 Census of Population, General Population Characteristics, Hawaii*, PC80-1-B13 (July 1982), and Release CB91-133 (April 22, 1991).

Table 1-3.-- SELECTED POPULATION CHARACTERISTICS FOR THE COUNTY OF HAWAII: 1980 AND 1990

Subject	1980	1990	Change	
			Number	Percent
Total population	92,053	120,317	28,264	30.7
Sex:				
Male	46,665	60,665	14,000	30.0
Female	45,388	59,652	14,264	31.4
Males per 100 females	102.8	101.7	-1.1	-1.1
Age:				
Under 5 years	8,372	9,447	1,075	12.8
5 to 17 years	19,792	25,068	5,276	26.7
18 to 20 years	4,253	4,061	-192	-4.5
21 to 24 years	7,418	4,904	-2,514	-33.9
25 to 44 years	26,094	39,219	13,125	50.3
45 to 54 years	9,153	11,880	2,727	29.8
55 to 59 years	4,748	4,983	235	4.9
60 to 64 years	4,214	5,669	1,455	34.5
65 to 74 years	6,090	9,364	3,274	53.8
75 to 84 years	2,584	4,541	1,957	75.7
85 years and over	704	1,181	477	67.8
Median age	29.4	34.3	4.9	16.7
Under 18 years	28,164	34,515	6,351	22.6
Percent of total population	30.6	28.7	(X)	(X)
65 years and over	9,378	15,086	5,708	60.9
Percent of total population	10.2	12.5	(X)	(X)
Households by type:				
Total households	29,237	41,461	12,224	41.8
Family households (families)	22,784	30,235	7,451	32.7
Married-couple families	18,509	23,436	4,927	26.6
Percent of total households	63.3	56.5	(X)	(X)
Other family, male householder	1,314	2,039	725	55.2
Other family, female householder	2,961	4,760	1,799	60.8
Nonfamily households	6,453	11,226	4,773	74.0
Percent of total households	22.1	27.1	(X)	(X)
Householder living alone	(NA)	8,542	(NA)	(NA)
Householder 65 years and over	(NA)	2,902	(NA)	(NA)
Persons living in households	90,436	118,632	28,196	31.2
Persons per household	3.09	2.86	-0.2	-7.4
Group quarters:				
Persons living in group quarters	1,617	1,685	68	4.2
Institutionalized persons	497	575	78	15.7
Other persons in group quarters	1,120	1,110	-10	-0.9

X Not applicable

NA Not available.

Source: U.S. Bureau of the Census, *1980 Census of Population, General Population Characteristics, Hawaii*, PC80-1-B13 (July 1982), and Release CB91-133 (April 22, 1991).

Table 1-4.-- SELECTED POPULATION CHARACTERISTICS FOR THE COUNTY OF KAUAI: 1980 AND 1990

Subject	1980	1990	Change	
			Number	Percent
Total population	39,082	51,177	12,095	30.9
Sex:				
Male	20,052	25,951	5,899	29.4
Female	19,030	25,226	6,196	32.6
Males per 100 females	105.4	102.9	-2.5	-2.4
Age:				
Under 5 years	3,461	3,999	538	15.5
5 to 17 years	8,470	10,116	1,646	19.4
18 to 20 years	1,578	1,884	306	19.4
21 to 24 years	3,082	2,346	-736	-23.9
25 to 44 years	10,984	16,917	5,933	54.0
45 to 54 years	3,809	5,002	1,193	31.3
55 to 59 years	2,137	2,036	-101	-4.7
60 to 64 years	1,786	2,193	407	22.8
65 to 74 years	2,810	3,941	1,131	40.2
75 to 84 years	1,237	2,138	901	72.8
85 years and over	2,927	605	-2,322	-79.3
Median age	29.8	33.9	4	13.8
Under 18 years	11,931	14,115	2,184	18.3
Percent of total population	30.5	27.6	(X)	(X)
65 years and over	4,339	6,684	2,345	54.0
Percent of total population	11.1	13.1	(X)	(X)
Households by type:				
Total households	12,020	16,295	4,275	35.6
Family households (families)	9,475	12,367	2,892	30.5
Married-couple families	7,976	9,942	1,966	24.6
Percent of total households	66.4	61.0	(X)	(X)
Other family, male householder	531	820	289	54.4
Other family, female householder	968	1,605	637	65.8
Nonfamily households	2,545	3,928	1,383	54.3
Percent of total households	21.2	24.1	(X)	(X)
Householder living alone	(NA)	2,832	(NA)	(NA)
Householder 65 years and over	(NA)	1,109	(NA)	(NA)
Persons living in households	38,679	50,523	11,844	30.6
Persons per household	3.22	3.10	-0.12	-3.73
Group quarters:				
Persons living in group quarters	403	654	251	62.3
Institutionalized persons	280	382	102	36.4
Other persons in group quarters	123	272	149	121.1

X Not applicable

NA Not available.

Source: U.S. Bureau of the Census, *1980 Census of Population, General Population Characteristics, Hawaii*, PC80-1-B13 (July 1982), and Release CB91-133 (April 22, 1991).

Table 1-5.-- SELECTED POPULATION CHARACTERISTICS FOR THE COUNTY OF MAUI: 1980 AND 1990 1/

Subject	1980	1990	Change	
			Number	Percent
Total population	71,135	100,504	29,369	41.3
Sex:				
Male	36,063	51,281	15,218	42.2
Female	34,928	49,223	14,295	40.9
Males per 100 females	103.2	104.2	1.0	1.0
Age:				
Under 5 years	5,861	7,846	1,985	33.9
5 to 17 years	15,064	19,037	3,973	26.4
18 to 20 years	3,206	3,587	381	11.9
21 to 24 years	5,787	4,926	-861	-14.9
25 to 44 years	21,153	35,707	14,554	68.8
45 to 54 years	6,707	9,994	3,287	49.0
55 to 59 years	3,853	3,796	-57	-1.5
60 to 64 years	3,342	4,208	866	25.9
65 to 74 years	4,543	7,069	2,526	55.6
75 to 84 years	1,965	3,337	1,372	69.8
85 years and over	557	997	440	79.0
Median age	29.6	33.4	3.8	12.8
Under 18 years	20,925	26,883	5,958	28.5
Percent of total population	29.5	26.8	(X)	(X)
65 years and over	7,065	11,403	4338	61.4
Percent of total population	9.9	11.3	(X)	(X)
Households by type:				
Total households	22,510	33,145	10,635	47.2
Family households (families)	16,839	23,537	6,698	39.8
Married-couple families	13,850	18,629	4,779	34.5
Percent of total households	61.5	56.2	(X)	(X)
Other family, male householder	982	1,637	655	66.7
Other family, female householder	2,007	3,271	1.264	63.0
Nonfamily households	5,680	9,608	3,928	69.2
Percent of total households	25.2	29.0	(X)	(X)
Householder living alone	(NA)	6,566	(NA)	(NA)
Householder 65 years and over	(NA)	2,038	(NA)	(NA)
Persons living in households	70,008	99,019	29,011	41.4
Persons per household	3.11	2.99	-0.12	-3.86
Group quarters:				
Persons living in group quarters	839	1,355	516	61.5
Institutionalized persons	437	468	31	7.1
Other persons in group quarters	402	887	485	120.6

X Not applicable
NA Not available.
1/ Population figures include Kalawao County.
Source: U.S. Bureau of the Census, *1980 Census of Population, General Population Characteristics, Hawaii*, PC80-1-B13 (July 1982), and Release CB91-133 (April 22, 1991).

Table 1-6
SELECTED ECONOMIC INDICATORS: 1980 AND 1990 ACTUAL AND 1990 FORECAST

[In thousands and percent]

Classification	(1) Actual 1980	(2) Annual percentage change 1980-1990	(3) Actual 1990	(4) M-K 1990	(5) Percentage difference 1/
Jobs by sectors					
Sugar field	4.7	-4.1	3.1	3.6	16.1
Pineapple field	2.5	-2.7	1.9	1.9	0.0
Other agriculture	1.2	14.6	4.7	5.4	14.9
Sugar processing	3.8	-4.1	2.5	3.1	24.0
Pineapple processing	3.3	-7.0	1.6	1.7	6.2
Food processing	4.4	1.7	5.2	5.2	0.0
Miscellaneous manufacturing	12.1	-0.3	11.7	12.7	8.5
Construction	24.1	2.2	29.9	21.2	-29.1
Transportation, warehousing	21.2	4.1	31.7	26.2	-17.4
Communication	7.1	0.4	7.4	8.5	14.9
Electricity, gas, sanitation	2.6	1.4	3.0	2.7	-10.0
Wholesale trade	18.7	1.9	22.6	22.5	-0.4
Retail trade	52.3	2.3	65.6	65.9	0.5
Eating & drinking	34.5	3.1	47.0	48.1	2.3
Hotels	24.9	4.5	38.8	34.5	-11.1
Health, professional services	24.8	6.8	47.7	42.4	-11.1
Other services	40.9	5.2	68.2	61.1	-10.4
State-local government	58.9	2.0	71.5	65.8	-8.0
Federal government	30.0	1.2	33.8	32.5	-3.8
Other key economic indicators					
Gross state product (1982 dollars)	13,690.5	3.6	19,519.6	18,344.9	-6.0
Visitor arrivals (1,000)	3,934.5	5.9	6,971.8	6,500	-6.8
Personal income (1982 dollars)	12,072.0	2.6	15,575.0	15,509	-0.4

1/ Column (5) = (Column (4) - Column (3)) X 100/Column (3).

Source: Hawaii State Department of Labor and Industrial Relations and Department of Business, Economic Development & Tourism.

Table 1-7
LABOR FORCE AND POPULATION: 1980 AND 1990 ACTUAL AND 1990 FORECAST

Subject	(1) Actual 1980	(2) Annual percentage change 1980-1990	(3) Actual 1990	(4) M-K projections 1990	(5) Percentage difference 1/
Total jobs	504.8	2.3	633.6	611.0	-3.6
Civilian jobs	447.7	2.6	578.3	542.6	-6.2
Wage and salary jobs	414.8	2.6	537.1	500.3	-6.9
Self-employed	32.9	2.3	41.2	42.3	2.7
Armed Forces	57.1	-0.3	55.3	68.4	23.7
Total labor force	496.1	1.8	591.4	602.2	1.8
Civilian labor force	439.0	2.0	537.5	543.8	1.2
Employed	418.0	2.3	522.8	516.7	-1.2
Unemployed	21.0	-3.5	14.7	27.1	84.4
Resident population by age	964.7	1.4	1108.2	1137.2	2.6
Under 15 years	225.8	0.5	238.0	256.2	7.6
15 to 64 years	662.8	1.2	745.2	755.8	1.4
65 years and over	76.2	5.1	125.0	125.1	0.1
Civilian Population 2/	843.6	2.2	1052.9	1078.7	2.5
Components of population change: 2/					
Births	14.5	0.7	3/ 15.6	14.3	-8.3
Deaths	5.1	2.6	3/ 6.6	6.2	-6.1
Net in-migration 4/	10.6	-4.5	3/ 6.7	9.0	34.3

1/ Column (5) = (Column (4) - Column (3)) X 100/Column (3).

2/ Excludes military personnel and dependents.

3/ 1989 figures.

4/ Migration figures have been averaged from a ten year period.

Source: Hawaii State Department of Labor and Industrial Relations and Department of Business, Economic Development & Tourism.

2. The Economy -- Trends and Outlook

Hawaii's Economy

Tourism to the State recovered in the second quarter from the severe impact of the January-February Persian Gulf War on global tourism and travel. Visitor arrivals to the State in July were nearly 3 percent ahead of the same month in the previous year. At its bottom in February, tourism arrivals were down 21 percent from the previous year (see section 6). Thanks to improvement after the first quarter, arrivals for the first seven months of the year were held to a 5.5 percent decline from the comparable 1990 period. Nevertheless, even moderately strong growth for the rest of the year is unlikely to help the industry show net growth in visitor arrivals or expenditures for 1991 as a whole.

The tourism slump in the first half of the year, coupled with the effects of the Mainland recession, resulted in a slowdown in growth for the rest of the economy but not enough to cause serious dislocations outside of the visitor industry. The growth in gross business receipts (as measured by the excise and use tax base) increased only 5.6 percent in the first quarter of the year and showed a slight decline of 0.1 percent in the second quarter. This is down considerably from consistent, double digit increases ranging from 10 to 19 percent in each quarter of 1990. Retailing showed very little growth in sales for the first six months of the year, while diversified agriculture and manufacturing receipts fell below 1990 levels for the same period. Despite significant declines in hotel revenue, other service sector businesses showed an increase of nearly 9 percent in the first six months of 1991.

The labor market reflected very little of the slowdown in business activity. The total number of jobs in the State for the first six months of 1991 were up a healthy 3.2 percent from the previous year. Strong gains in construction jobs led the increase, but even hotels showed good gains despite the travel market slump. The weak areas for job gains were retailing and manufacturing.

Construction has remained strong during the tourism slump and the Mainland recession. The taxable value of construction in the first half of 1991 surged 18 percent over the same 1990 period, with more than $2.2 billion of work done for the period. Total construction jobs exceeded 33,000 in May, up 3,800 from May of 1990. Permits for construction to begin in the future also seem to be holding up very well. A dip in the value of private permits and public construction authorizations in the second quarter was more than countered by huge increases recorded in the first quarter of this year (see section 7).

State General fund revenues have grown well in the first half of calendar 1991 despite a slow down in general excise and use tax growth. Strong gains in individual and corporate income tax collections have more than countered the sluggishness in excise and use tax collections. For fiscal year 1990-91, which ended June 30, total general fund revenues showed a healthy 11.4 percent increase. This gain was not surprising, despite the tourism slowdown and Mainland recession, given the strong performance of personal income growth through 1990 and into early 1991. Changes in the growth of tax revenues tend to lag changes in economic growth, particularly income taxes. Any adverse impact on incomes from the economic conditions in mid-1991 will probably not be reflected in general fund revenue growth until later this year or in 1992.

U.S. and World Economies

Preliminary estimates of Gross National Product (GNP) for the second quarter of 1991 indicated that the nation was recovering from the recession, albeit not vigorously. GNP showed a 0.1 percent annual rate of decline in the second quarter, after declining at a 2.8 percent rate in the first quarter.

Internationally, sluggish economic conditions prevailed in most industrialized countries. In Japan the central bank eased up on interest rates in the second quarter, suggesting improved growth in that economy might occur in the near future. Japanese monetary authorities had been keeping rates high to fight consumer price inflation which neared the 5 percent level in early 1991. By April, consumer prices had slowed to under 4 percent, allowing the easing in monetary policy. Despite lower rates, credit will probably remain tight in Japan for some time, which will tend to discourage a quick resumption in overseas investment.

The Economic Outlook

Table 2-1 presents the most recent *Blue Chip Economic Indicators*, consensus forecast of the U.S. economy. The Blue Chip is based on the average of 50 major U.S. economic forecasts.

The recession has progressed close to economic forecasts made nearly a year ago, which anticipated a relatively short, two to three quarters recession, with a recovery beginning in the mid-1991. Despite the war in the Persian Gulf and its impact on economic activity, forecasts have stayed with that scenario although the slight 0.1 percent decline in second quarter real GNP is below the Blue Chip consensus forecast of an 0.8 percent increase predicted earlier for the quarter. If the economy performs as the consensus forecast indicates, 1991 as a whole will show a slight 0.1 percent decline in GNP, although the third and fourth quarters should show growth between 2.7 and 2.8 percent. Beyond 1991, the consensus forecast expects little in the way of an economic rebound. GNP will likely average a modest 2.7 annual percent growth rate through 1992. This will result in only slow improvement in the national unemployment rate which reached 6.9 percent in June. The consensus forecast expects unemployment to stay at about that level through the end of this year, easing only gradually after that to about 6.3 percent by the fourth quarter of 1992. The absence of a strong rebound from the recession helps explain some skepticism about whether the economic down turn is really behind the nation.

Hawaii's overall economic forecast remains little changed from the April 1991 update although tourism is expected to be weaker and construction stronger. As tables 2-2 through 2-5 show, total visitor arrivals could decline as much as 3.0 percent for the year as a whole, even though tourism appeared to be back to normal levels at mid-year. However, offsetting the visitor decline has been a stronger performance in construction, which is now expected to show a 9.5 percent, real increase in value for 1991. Consequently, GSP will likely show an increase of 2.4 percent in real terms for 1991, with real personal income increasing slightly more than 1 percent.

The forecast anticipates a statistical rebound in tourism arrival rates in 1992 resulting from the abnormally low base of comparison in early 1991. Additional growth should also result from an improving U.S. economy and vacations re-scheduled from the first half of 1991. Overall, an 8 percent increase in 1992 visitor arrivals is expected.

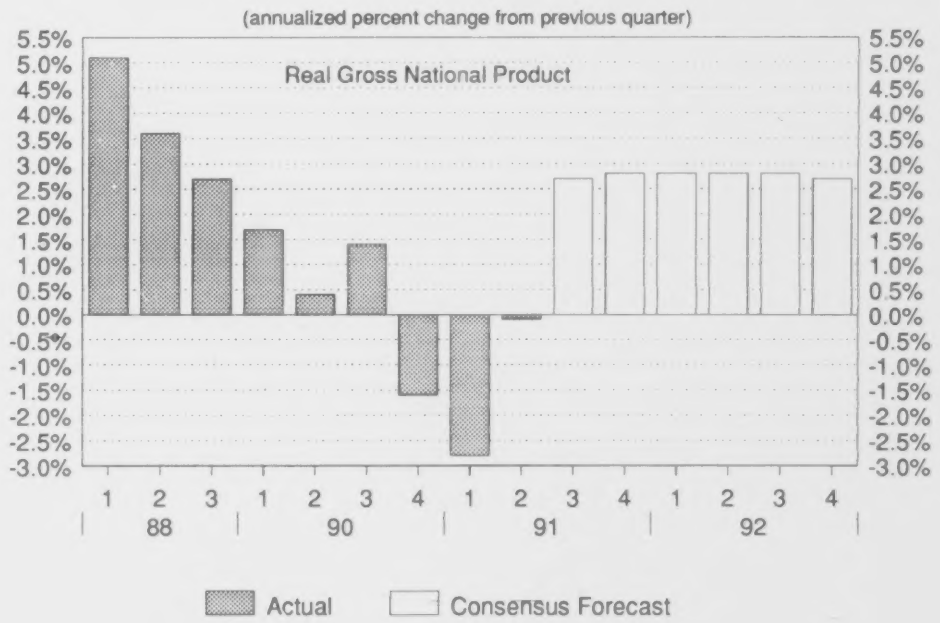
A slowing in the growth rate of construction, however, will keep the overall gains to the economy some what modest through 1995. The growth in total jobs will likely slow from nearly 3 percent in 1992 to 2 percent by 1994.

Table 2-1
U.S. ECONOMIC FORECAST FOR 1991

	1990				1991 Actual		1991 Forecast		Forecast	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1991 1/	1992 1/
Annualized % growth rates from prior quarter										
Real GNP	1.7	0.4	1.4	-1.6	-2.8	-0.1	2.7	2.8	-0.1	2.7
Industrial production	0.7	4.1	4.1	-7.0	-9.6	1.5	4.4	4.1	-1.7	3.8
Implicit GNP deflator	4.8	4.7	3.7	2.8	5.2	3.9	3.4	3.5	3.9	3.6
Consumer price index	7.5	3.8	7.0	6.9	3.6	2.1	3.6	3.9	4.3	3.8
Real disposable income	2.5	0.3	-0.7	-3.5	-1.5	1.2	2.1	2.4	-0.3	2.6
Corp. pretax profits	na	na	na	na	na	na	na	na	-0.2	11.8
Average for quarter										
Net exports ($bil) 2/	-35.4	-44.6	-46.5	-8.8	7.1	-18.6	-11.3	-10.7	-8.1	-11.9
Unemployment rate (%)	5.2	5.3	5.7	5.9	6.5	6.8	6.8	6.8	6.7	6.5
3-mo.Treas.bill rate(%)	7.8	7.7	7.5	6.8	6.1	5.7	5.6	5.7	5.7	6.0
AAA corp. bond rate (%)	9.2	9.4	9.4	9.2	8.9	8.9	8.9	8.9	8.9	8.9

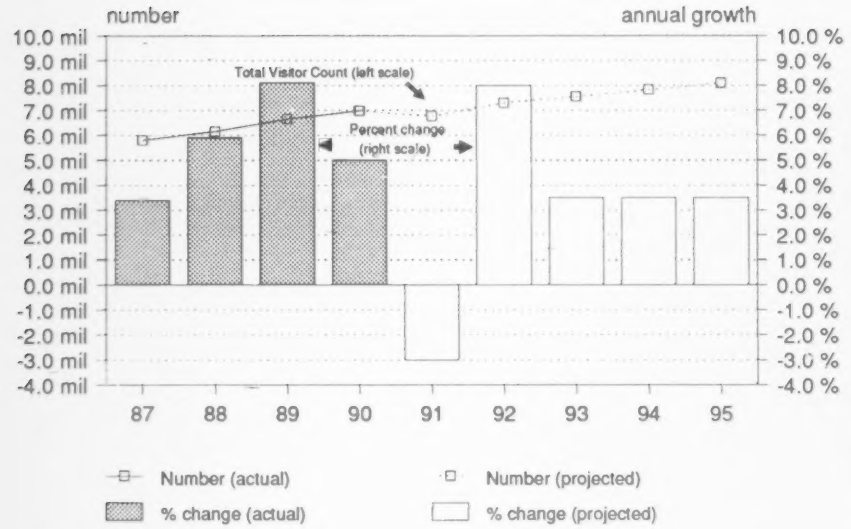
na: not available
1/ August 10, 1991 average.
2/ Constant 1982 dollars adjusted to an annual rate.
Source: Eggert Economic Enterprises, "Blue Chip Economic Indicators," August 10, 1991

Figure 2-1
U.S. GNP: Trend and Outlook



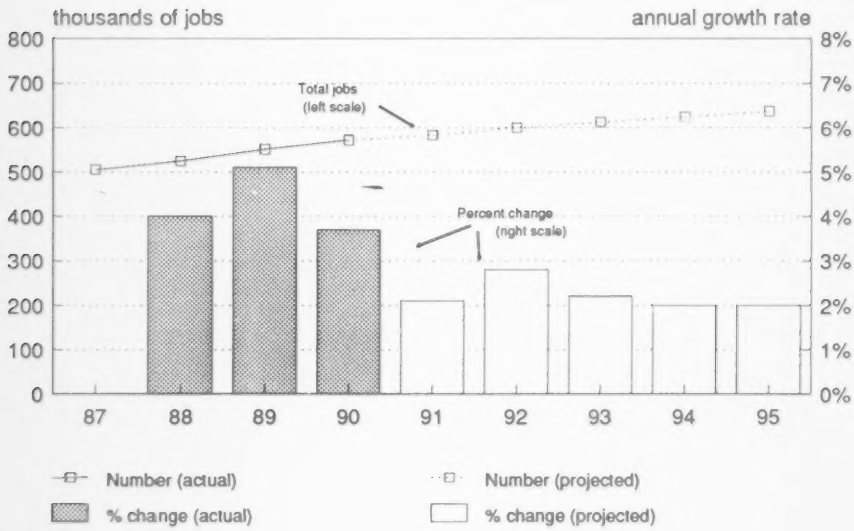
SOURCE: Blue Chip Economic Indicators

Figure 2-2
Hawaii Outlook: Tourism



SOURCE: HVB data; DBED projections

Figure 2-3
Hawaii Outlook: Jobs Growth



SOURCE: Dept of Labor; DBED Projections

Table 2-2
KEY ECONOMIC ASSUMPTIONS

	1989	1990	1991	1992	1993	1994	1995
	Actual		Forecast				
Honolulu CPI-U (1982-84=100)	128.7	138.1	147.7	155.1	162.9	171.0	179.5
Visitor arrivals (thous.)	6,636.9	6,968.8	6,759.7	7,300.5	7,556.1	7,820.6	8,094.3
Mortgage rate (%)	10.1	10.0	9.5	9.5	9.5	9.5	9.5
Prime rate (%)	10.9	10.0	9.0	9.0	9.0	9.0	9.0
Annual percent growth							
Real GNP growth (%) 1/	2.5	1.0	-0.1	2.7	2.6	2.6	2.6
Honolulu CPI-U	5.8	7.3	7.0	5.0	5.0	5.0	5.0
Visitor arrivals	8.1	5.0	-3.0	8.0	3.5	3.5	3.5
Total population	1.5	1.6	1.6	1.6	1.6	1.5	1.5

1/ "Blue Chip Economic Indicators" Consensus Forecast, August10, 1991.

Source: Department of Business, Economic Development & Tourism, Research & Economic Analysis Division
Hawaii Econometric Forecasting Project, August 1991.

Table 2-3
SUMMARY OF HAWAII FORECAST FOR 1991

	Actual		Estimate		Forecast	
	1989	% Change	1990	% Change	1991	% Change
Gross State Product						
Millions of current dollars	24,300	11.5	26,945	10.9	29,370.0	9.0
Millions of constant 1982 dollars	18,578	6.1	19,526	5.1	19,995.0	2.4
GSP deflator index (1982=100)	130.8	5.0	138.0	5.5	147.0	6.5
Visitor arrivals (millions)	6.6	8.1	7.0	5.0	6.8	(3.0)
Consumer Price Index (CPI-U) (1982-84=100)	128.7	5.8	138.1	7.3	147.7	7.0
Personal Income						
Millions of current dollars	20,478	11.2	22,446	9.6	24,271.3	8.1
Millions of constant 1982 dollars	15,463	4.9	15,796	2.2	15,977.6	1.1
Total Jobs (thousands)	551.2	5.3	571.1	3.6	583.1	2.1
Construction, real value (constant 1982 dollars)	2,594.3	25.1	3,007.2	15.9	3,353.0	11.5

Source: DBED Hawaii Econometric Forecasting Project, August 1991.

Table 2-4
PROJECTED PERSONAL INCOME AND COMPONENTS

	Estimate	Forecast				
	1990	1991	1992	1993	1994	1995
Millions of dollars	CURRENT DOLLARS					
Personal Income	22,447.0	24,271.2	26,164.1	28,060.7	30,076.1	32,219.8
Net Earnings of Residents	16,181.0	17,517.1	18,897.2	20,249.7	21,680.2	23,195.1
Labor Income	15,589.0	16,895.8	18,247.0	19,572.6	20,979.4	22,472.5
Wages & Salaries	14,334.0	15,540.1	16,799.0	18,019.5	19,314.4	20,688.8
Other	1,255.0	1,355.7	1,448.0	1,553.1	1,665.0	1,783.7
Proprietors' Income	1,706.0	1,851.0	2,002.8	2,155.0	2,314.5	2,483.4
Less: Social Insurance	(1,114.0)	(1,229.7)	(1,352.6)	(1,477.9)	(1,613.7)	(1,760.8)
Property Income	3,358.0	3,636.7	3,931.3	4,241.9	4,577.0	4,938.5
Transfer Payments	2,908.0	3,117.4	3,335.6	3,569.1	3,818.9	4,086.2
Annual Percent Growth						
Personal Income	9.6	8.1	7.8	7.2	7.2	7.1
Net Earnings of Residents	10.2	8.3	7.9	7.2	7.1	7.0
Labor Income	10.4	8.4	8.0	7.3	7.2	7.1
Wages & Salaries	10.3	8.4	8.1	7.3	7.2	7.1
Other	12.8	8.0	6.8	7.3	7.2	7.1
Proprietors' Income	9.6	8.5	8.2	7.6	7.4	7.3
Less: Social Insurance	12.0	10.4	10.0	9.3	9.2	9.1
Property Income	6.7	8.3	8.1	7.9	7.9	7.9
Transfer Payments	9.3	7.2	7.0	7.0	7.0	7.0
Millions of Dollars	CONSTANT 1982 DOLLARS					
Personal Income	15,796.3	15,977.6	16,403.3	16,754.8	17,103.0	17,449.6
Net Earnings of Residents	11,386.8	11,531.5	11,847.4	12,090.9	12,328.6	12,562.0
Labor Income	10,970.2	11,122.5	11,439.8	11,686.6	11,930.1	12,170.6
Wages & Salaries	10,087.0	10,230.0	10,532.0	10,759.3	10,983.3	11,204.6
Other	883.2	892.5	907.8	927.3	946.8	966.0
Proprietors' Income	1,200.5	1,218.5	1,255.6	1,286.7	1,316.1	1,345.0
Less: Social Insurance	(783.9)	(809.5)	(848.0)	(882.4)	(917.6)	(953.6)
Property Income	2,363.1	2,394.0	2,464.7	2,532.8	2,602.7	2,674.6
Transfer Payments	2,046.4	2,052.1	2,091.2	2,131.1	2,171.7	2,213.0
Annual percent growth						
Personal Income	2.2	1.1	2.7	2.1	2.1	2.0
Net Earnings of Residents	2.8	1.3	2.7	2.1	2.0	1.9
Labor Income	3.0	1.4	2.9	2.2	2.1	2.0
Wages & Salaries	2.8	1.4	3.0	2.2	2.1	2.0
Other	5.1	1.1	1.7	2.1	2.1	2.0
Proprietors' Income	2.2	1.5	3.0	2.5	2.3	2.2
Less: Social Insurance	4.3	3.3	4.8	4.1	4.0	3.9
Property Income	-0.6	1.3	3.0	2.8	2.8	2.8
Transfer Payments	1.9	0.3	1.9	1.9	1.9	1.9

Source: DBED Hawaii Econometric Forecasting Project, August 1991.

Table 2-5
PROJECTED EMPLOYMENT (JOBS) BY SECTOR

	Estimate	Forecast				
	1990	1991	1992	1993	1994	1995
Thousands						
TOTAL JOBS	571.1	583.1	599.4	612.3	624.4	636.6
Construction	29.9	32.6	32.6	32.6	32.6	32.6
Manufacturing	20.7	20.5	20.5	20.5	20.5	20.5
Durable	4.1	4.0	4.0	4.0	4.0	4.0
Nondurable	16.6	16.5	16.5	16.5	16.5	16.5
Food Processing	9.1	9.1	9.0	13.5	13.5	13.5
Textile	3.0	3.0	3.0	3.0	3.0	3.0
Transp/Communic/Utilities	42.0	42.7	43.6	44.8	45.7	46.5
Trade	135.1	135.2	140.3	143.5	146.8	150.3
Retail	112.5	112.5	117.1	120.1	123.2	126.4
Eating & Drinking Places	47.3	48.0	50.0	51.5	53.1	54.7
Wholesale	22.6	22.7	23.2	23.4	23.7	23.9
Finance/Insur/Real Estate	36.1	38.3	39.7	41.0	42.0	43.0
Services	151.2	155.5	162.1	167.2	171.9	176.6
Hotels	38.3	38.4	39.3	39.7	40.1	40.5
Government	105.3	106.8	108.7	110.2	111.8	113.4
Federal	33.8	33.8	33.8	33.8	33.8	33.8
State & Local	71.5	73.0	74.9	76.4	78.0	79.6
Agriculture	9.7	10.0	10.0	10.0	10.1	10.1
Sugar	3.1	3.3	3.2	3.1	3.0	2.9
Pineapple	1.9	1.9	1.9	1.9	1.9	1.9
Diversified	4.7	4.8	4.9	5.0	5.2	5.3
Self-Employed	41.1	41.5	41.9	42.5	43.0	43.6
Annual percent growth						
TOTAL JOBS	3.4	2.1	2.8	2.2	2.0	2.0
Construction	2.4	9.0	0.0	0.0	0.0	0.0
Manufacturing	(2.8)	(1.0)	0.0	0.0	0.0	0.0
Durable	(2.4)	(2.4)	0.0	0.0	0.0	0.0
Nondurable	(2.9)	(0.6)	0.0	0.0	0.0	0.0
Food Processing	(3.2)	0.0	(1.1)	50.0	0.0	0.0
Textile	0.0	0.0	0.0	0.0	0.0	0.0
Transp/Communic/Utilities	4.5	1.7	2.1	2.8	2.0	1.8
Trade	1.6	0.1	3.8	2.3	2.3	2.4
Retail	1.3	0.0	4.1	2.6	2.6	2.6
Eating & Drinking Places	1.4	1.4	4.2	3.0	3.1	3.0
Wholesale	3.3	0.4	2.2	0.9	1.3	0.8
Finance/Insur/Real Estate	2.8	6.1	3.7	3.3	2.4	2.4
Services	4.6	2.8	4.2	3.1	2.8	2.7
Hotels	3.5	0.3	2.3	1.0	1.0	1.0
Government	3.7	1.4	1.8	1.4	1.5	1.4
Federal	0.6	0.0	0.0	0.0	0.0	0.0
State & Local	5.3	2.1	2.6	2.0	2.1	2.1
Agriculture	0.0	3.1	0.0	0.0	1.0	0.0
Sugar	(6.1)	6.5	(3.0)	(3.1)	(3.2)	(3.3)
Pineapple	0.0	0.0	0.0	0.0	0.0	0.0
Diversified	4.4	2.1	2.1	2.0	4.0	1.9
Self-Employed	9.3	1.0	1.0	1.4	1.2	1.4

Source: DBED Hawaii Econometric Forecasting Project, August 1991.

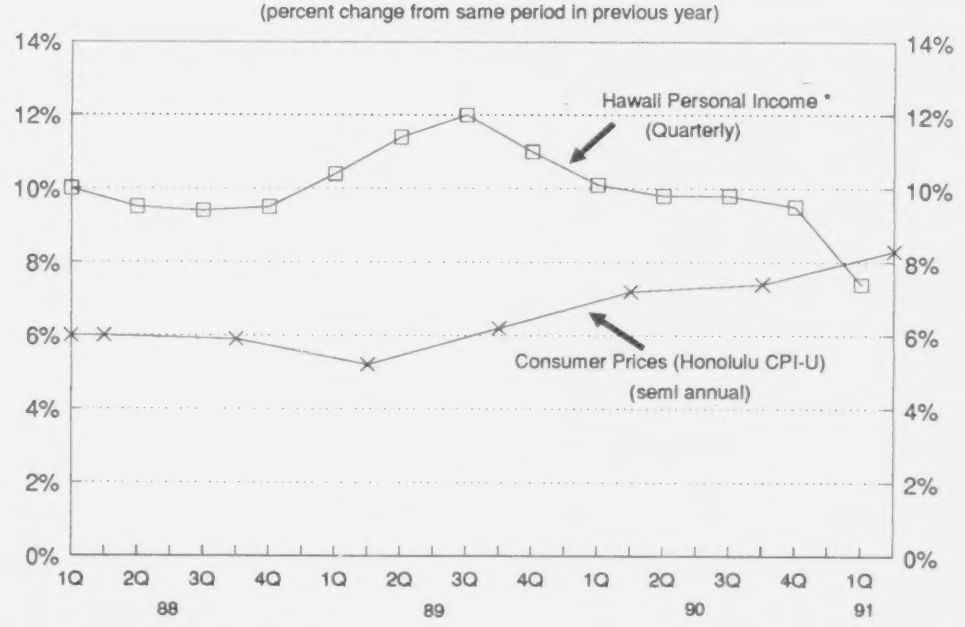
3. Income and Prices

Honolulu experienced an unexpectedly sharp, 8.3 percent increase in the Honolulu Consumer Price Index for the first six months of 1991. The increase, measured from the first half of 1990, was sharpest in medical care, housing and "other" consumer expenditures, although almost all major categories increased significantly.

Total personal income in Hawaii increased 7.4 percent in the first quarter of 1991 as compared with same 1990 period. This was almost twice the 4.0 percent growth rate experienced at the national level. Both the Hawaii and U.S. growth rates for personal income are down from increases experienced over the past three years.

Multiple Listing Service data from of the first half of 1991 showed the median selling price of a single-family home on Oahu was $345,000, down only slightly from $352,000 for 1990 as whole. The comparable first-half 1991 median price for a condominium unit was $190,000, up $3,000 from 1990. The median price (the price half way between the highest and lowest) is a more reliable indication of changing housing values than the mean or average of all prices. This is because the average price can be distorted by a few number of very high priced homes. For example, the average price for single family homes in the first half of 1991 was $457,000, but only about one-fourth of the homes sold were at or above this price. The prices were high enough on these homes that the average was pulled up more than $100,000 over the median. Forty one homes, or about 5 percent of those sold, were over $1 million in value.

Figure 3-1
Income & Prices
(percent change from same period in previous year)



*not corrected for effects of inflation
SOURCE: U.S. Depts of Commerce & Labor

Table 3-1
TOTAL PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1991

[Dollar amounts in millions]

Year	Total personal income 1/		Percent change from same period in previous year	
	United States	Hawaii	United States	Hawaii
1980	2,254,076	10,279	11.1	13.8
1981	2,514,231	11,051	11.5	7.5
1982	2,663,432	11,732	5.9	6.2
1983	2,834,385	12,875	6.4	9.7
1984	3,101,163	13,628	9.4	5.8
1985	3,317,545	14,589	7.0	7.1
1986	3,519,364	15,607	6.1	7.0
1987	3,754,577	16,798	6.7	7.6
1988	4,058,181	18,412	8.1	9.6
1989	4,367,401	20,477	7.6	11.2
1990	4,647,055	22,446	6.4	9.6
1987:1 Q	3,659,319	16,240	6.1	6.8
2 Q	3,705,300	16,559	5.7	7.2
3 Q	3,766,293	16,939	6.6	7.7
4 Q	3,887 397	17,452	8.3	8.7
1988:1 Q	3,939,842	17,865	7.7	10.0
2 Q	4,021,869	18,136	8.5	9.5
3 Q	4,095,382	18,539	8.7	9.4
4 Q	4,175,632	19,108	7.4	9.5
1989:1 Q	4,284,521	19,715	8.7	10.4
2 Q	4,344,107	20,211	8.0	11.4
3 Q	4,384,651	20,767	7.1	12.0
4 Q	4,456,325	21,218	6.7	11.0
1990:1 Q	4,562,866	21,709	6.5	10.1
2 Q	4,625,886	22,189	6.5	9.8
3 Q	4,685,212	22,792	6.9	9.8
4 Q	4,732,538	23,237	6.2	9.5
1991:1 Q	4,747,047	23,315	4.0	7.4

1/ Quarterly income seasonally adjusted at annual rates.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, release dated April 1991.

Table 3-2
TOTAL AND PER CAPITA PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

Year	Total personal income (millions of dollars)		Per capita personal income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	2,254,076	10,279	9,919	10,617	107
1981	2,514,231	11,051	10,949	11,274	103
1982	2,663,432	11,732	11,481	11,760	102
1983	2,834,385	12,875	12,098	12,640	104
1984	3,101,163	13,628	13,114	13,155	100
1985	3,317,545	14,589	13,896	13,891	100
1986	3,522,203	15,639	14,608	14,702	101
1987	3,754,577	16,798	15,424	15,525	101
1988	4,058,181	18,412	16,511	16,797	102
1989	4,367,401	20,477	17,594	18,413	105
1990	4,647,055	22,446	18,685	20,254	108
	Percent change from previous year				
1980	11.1	13.8	9.8	11.7	1.7
1981	11.5	7.5	10.4	6.2	-3.8
1982	5.9	6.2	4.8	4.3	-0.5
1983	6.4	9.7	5.4	7.5	2.0
1984	9.4	5.8	8.4	4.1	-4.0
1985	7.0	7.1	6.0	5.6	-0.3
1986	6.2	7.2	5.1	5.8	0.7
1987	6.7	7.6	5.7	5.8	0.1
1988	8.1	9.6	7.0	8.2	1.1
1989	7.6	11.2	6.6	9.6	2.9
1990	6.4	9.6	6.2	10.0	3.6

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System release, April 1991.

Table 3-3
TOTAL AND PER CAPITA DISPOSABLE PERSONAL INCOME FOR THE UNITED STATES AND HAWAII: 1980 TO 1990

Year	Disposable personal income (millions of dollars)		Per capita personal income (dollars)		Hawaii per capita income as a percentage of U.S.
	United States	Hawaii	United States	Hawaii	
1980	1,914,331	8,776	8,424	9,065	108
1981	2,121,830	9,418	9,240	9,608	104
1982	2,255,123	10,213	9,721	10,238	105
1983	2,424,880	11,100	10,350	10,897	105
1984	2,662,051	11,886	11,257	11,474	102
1985	2,832,081	12,606	11,863	12,003	101
1986	3,011,946	13,510	12,492	12,701	102
1987	3,184,218	14,348	13,081	13,260	101
1988	3,467,868	15,622	14,109	14,251	101
1989	3,709,988	17,265	14,945	15,525	104
1990	3,747,062	19,093	15,878	17,229	109
	Percent change from previous year				
1980	11.0	13.8	9.7	11.7	1.8
1981	10.8	7.3	9.7	6.0	-3.4
1982	6.3	8.4	5.2	6.6	1.3
1983	7.5	8.7	6.5	6.4	0.0
1984	9.8	7.1	8.8	5.3	-3.2
1985	6.4	6.1	5.4	4.6	-0.7
1986	6.4	7.2	5.3	5.8	0.8
1987	5.9	6.1	4.9	4.3	-0.6
1988	8.9	8.9	7.9	7.5	-0.4
1989	7.0	10.5	5.9	8.9	2.8
1990	1.0	10.6	6.2	11.0	4.5

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Electronic Data Distribution System release, April 1991.

Table 3-4
CONSUMER PRICE INDEX, ALL URBAN CONSUMERS (CPI-U) FOR SELECTED ITEMS FOR HONOLULU: 1980 TO 1991

[1982-84 = 100]

Period	All items	Food & beverage	Housing 1/	Apparel and upkeep	Transportation	Medical care	Entertainment	Other
1980	83.0	84.2	83.2	89.8	86.6	73.1	78.2	73.3
1981	91.7	92.6	92.3	94.5	95.7	81.8	87.2	81.5
1982	97.2	96.9	98.0	98.4	99.0	91.6	95.7	92.0
1983	99.3	99.5	98.9	101.4	98.2	101.1	100.0	101.4
1984	103.5	103.6	103.1	100.2	102.9	107.3	104.3	106.6
1985	106.8	107.8	106.0	99.6	104.9	113.2	111.9	112.5
1986	109.4	110.0	108.4	99.8	105.2	122.3	113.2	119.6
1987	114.9	114.1	115.0	102.5	109.7	127.9	118.6	129.7
1988	121.7	120.3	123.0	106.8	116.1	132.5	122.9	137.1
1989	128.7	128.1	131.1	104.3	123.9	139.3	124.3	146.1
1990	138.1	137.8	141.5	107.0	131.1	154.2	128.4	160.4
1991:								
1st half	146.8	146.0	151.3	111.2	138.1	168.0	133.1	171.9
	Percent change from same period in previous year							
1981	10.5	10.0	10.9	5.2	10.5	11.9	11.5	11.2
1982	6.0	4.6	6.2	4.1	3.4	12.0	9.7	12.9
1983	2.2	2.7	0.9	3.0	-0.8	10.4	4.5	10.2
1984	4.2	4.1	4.2	-1.2	4.8	6.1	4.3	5.1
1985	3.2	4.1	2.8	-0.6	1.9	5.5	7.3	5.5
1986	2.4	2.0	2.3	0.2	0.3	8.0	1.2	6.3
1987	5.0	3.7	6.1	2.7	4.3	4.6	4.8	8.4
1988	5.9	5.4	7.0	4.2	5.8	3.6	3.6	5.7
1989	5.8	6.5	6.6	-2.3	6.7	5.1	1.1	6.6
1990	7.3	7.6	7.9	2.6	5.8	10.7	3.3	9.8
1991:								
1st half	8.3	6.9	8.8	4.7	8.5	12.1	5.9	10.8

1/ Change in definition in 1983--rental equivalence for homeowners (what owners would have to pay if they rented their homes).

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Table 3-5
MULTIPLE LISTING SERVICE LISTINGS AND SALES, BY TYPE OF PROPERTY, FOR OAHU: 1988 TO 1990

Year and type of property	Number listed	Number sold	Percent sold	Sales price (dollars)	
				Mean	Median
1988	14,584	9,886	68.0	201,000	146,800
Single family residential	4518	3026	67.0	312,300	210,000
Condominium/cooperative	8993	6546	72.8	140,300	114,000
Vacant land	483	169	35.0	284,000	195,000
Multi-family	156	53	34.0	662,800	450,000
Commercial/industrial	140	54	38.6	611,300	200,000
Business opportunities	258	38	14.7	74,300	59,000
1989	13,873	9,757	70.3	238,257	(NA)
Single family residential	4,503	2,922	64.9	372,361	270,000
Condominium/cooperative	8,177	6,486	79.3	164,496	135,500
Vacant land	485	201	41.4	383,373	250,000
Multi-family	185	64	34.6	716,658	500,000
Commerical	153	47	30.7	775,976	410,000
Business opportunities	370	37	10.0	156,405	60,000
1990	17,097	9,243	54.1	319,500	(NA)
Single family residential	5,216	2,744	52.6	498,511	352,000
Condominium/cooperative	10,588	6,149	58.1	225,901	187,000
Vacant land	521	170	32.6	392,931	289,000
Multi-family	230	81	35.2	845,384	640,000
Commerical	213	46	21.6	1,221,804	430,000
Business opportunities	329	53	16.1	88,304	60,000
1991 1st half	7,929	2,529	31.9	303,075	(NA)
Single family residential	2,556	829	32.4	457,017	345,000
Condominium/cooperative	4,730	1,621	34.3	216,080	190,000
Vacant Land	299	38	12.7	343,466	299,000
Multi-family	88	10	11.4	741,800	700,000
Commercial	109	18	16.5	833,056	420,000
Business opportunities	147	13	8.8	144,538	63,000

NA Not available.
Source: Honolulu Board of Realtors, Multiple Listing Service, records.

Table 3-6
MULTIPLE LISTING SERVICE UNITS SOLD, SINGLE-FAMILY RESIDENTIAL AND CONDOMINIUM, BY SELLING PRICE RANGE, FOR OAHU: 1990 AND 1991

Selling price range	Single-family residential		Condominium	
	1990	1991 1st half	1990	1991 1st half
All properties	2,744	829	6,149	1,621
Less than $50,000	0	0	10	1
$50,000, less than $75,000	0	0	111	5
$75,000, less than $100,000	2	0	318	23
$100,000, less than $125,000	7	0	465	110
$125,000, less than $150,000	28	5	810	208
$150,000, less than $175,000	34	5	845	258
$175,000, less than $200,000	69	35	898	319
$200,000, less than $225,000	76	22	654	195
$225,000, less than $250,000	121	39	543	164
$250,000, less than $275,000	237	58	377	92
$275,000, less than $300,000	288	97	234	62
$300,000, less than $400,000	829	299	456	103
$400,000, less than $500,000	386	109	137	40
$500,000, less than $600,000	190	50	84	18
$600,000, less than $700,000	117	42	57	5
$700,000, less than $800,000	85	25	38	6
$800,000, less than $900,000	55	10	16	3
$900,000, less than $1,000,000	43	3	30	2
$1,000,000 or more	180	41	66	7
Median value	$352,000	$345,000	$187,000	$190,000
Mean vaule	$498,511	$457,017	$225,901	$216,080

Source: Honolulu Board of Realtores, Multiple Listing Service, records.

4. Employment

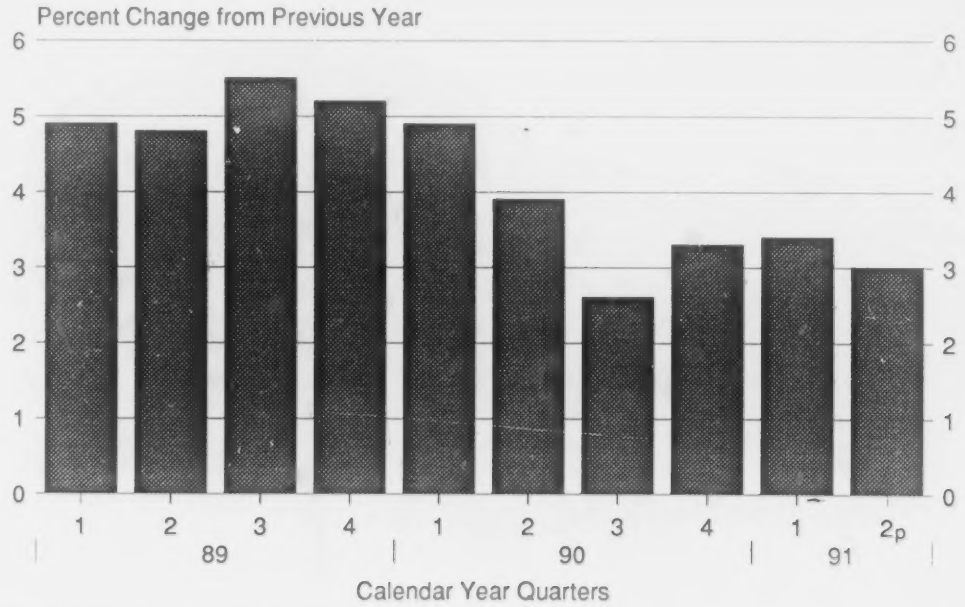
Hawaii continued to maintain a healthy increase in job creation through the second quarter of 1991. May's total was 587,650 jobs, up 2.9 percent from the same month a year earlier. Wage and salary jobs showed a 3.0 percent increase in May while self-employment dropped a slight, 0.4 percent.

Among the major industries, construction led the gain in jobs with a 12.8 percent increase over May of 1990. Finance jobs increased 5.6 percent while service jobs managed a 5.0 increase in the May to May comparisons. Despite the first-half decline in visitor activity, hotel jobs increased 2.7 percent. The temporary nature of the tourist slump, the difficulty of finding and training employees, plus the opening of new hotels, all contributed to stability and even growth in hotel employment at a time when business was declining.

The growth in retail and wholesale trade jobs slowed to 0.6 percent in May. This sector also felt the effects of the visitor slump, which explains most of the slowdown in trade activity.

Hawaii's unemployment rate edged up to 2.8 percent in May from 2.3 percent in April. No trend is apparent in this increase and Hawaii still enjoys one of the lowest unemployment rates in the nation second only to Nebraska.

Figure 4-1
Growth In Total Jobs



SOURCE: DBED, Based on data from the Dept. of Labor and Industrial Relations

p: preliminary

Table 4-1
CIVILIAN LABOR FORCE AND EMPLOYMENT, BY COUNTY: 1980 TO 1991

[Number of persons]

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian labor force:					
1980	439,000	338,350	43,550	19,550	37,550
1981	451,000	345,700	45,450	20,100	39,750
1982	461,000	350,100	47,200	20,800	42,850
1983	472,000	357,100	48,350	21,650	44,900
1984	472,000	357,150	48,650	21,300	44,900
1985	479,000	359,600	50,400	22,050	46,950
1986	492,000	368,700	51,350	23,400	48,600
1987	514,000	383,400	54,100	24,900	51,600
1988	518,000	383,750	54,500	26,000	53,800
1989	524,000	384,500	56,900	27,600	55,000
1990	537,550	393,950	59,250	28,100	56,250
1990: 1 Q	529,400	390,000	57,450	27,700	54,250
2 Q	539,700	396,500	58,950	27,900	56,300
3 Q	537,350	392,300	59,700	28,250	57,100
4 Q	543,800	397,050	60,850	28,600	57,300
1991: 1 Q (p)	551,150	399,300	63,700	29,650	58,500
2 Q (p)	549,333	397,433	63,317	29,333	58,617
Civilian employment:					
1980	418,000	322,800	40,850	18,700	35,650
1981	427,000	328,500	42,150	18,900	37,450
1982	430,000	328,600	42,700	19,150	39,550
1983	442,000	336,550	44,050	20,000	41,450
1984	445,000	338,050	44,950	19,800	42,250
1985	452,000	341,150	46,150	20,550	44,150
1986	468,000	352,500	47,500	22,000	46,050
1987	494,000	369,850	50,900	23,850	49,350
1988	502,000	373,150	51,800	25,050	52,000
1989	511,000	375,950	54,700	26,800	53,550
1990	522,850	384,100	56,950	27,100	54,700
1990: 1 Q	513,500	379,100	55,100	26,550	52,750
2 Q	525,400	387,250	56,400	26,950	54,750
3 Q	523,000	382,700	57,500	27,250	55,450
4 Q	529,650	387,450	58,800	27,700	55,700
1991: 1 Q (p)	536,650	389,900	61,350	28,550	56,850
2 Q (p)	534,800	388,233	60,750	28,266	56,900

Note: All quarterly data are not seasonally adjusted; detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-2
CIVILIAN UNEMPLOYED AND UNEMPLOYMENT RATE, BY COUNTY: 1980 TO 1991

Subject and year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Civilian unemployed (persons):					
1980	21,000	15,550	2,700	850	1,900
1981	24,000	17,150	3,350	1,150	2,350
1982	31,000	21,500	4,500	1,700	3,300
1983	30,000	20,600	4,350	1,650	3,450
1984	27,000	19,100	3,750	1,500	2,700
1985	27,000	18,450	4,250	1,500	2,800
1986	24,000	16,200	3,850	1,400	2,550
1987	20,000	13,550	3,100	1,100	2,250
1988	16,000	10,550	2,700	950	1,750
1989	13,000	8,550	2,200	800	1,450
1990	14,700	9,850	2,300	1,000	1,550
1990: 1 Q	15,900	10,850	2,350	1,150	1,500
2 Q	14,300	9,250	2,550	950	1,550
3 Q	14,450	9,600	2,250	1,000	1,650
4 Q	14,150	9,600	2,000	900	1,600
1991: 1 Q (p)	14,550	9,450	2,300	1,100	1,650
2 Q (p)	14,533	9,200	2,567	1,067	1,717
Unemployment rate (percent):					
1980	4.8	4.6	6.2	4.2	5.1
1981	5.3	5.0	7.3	5.8	5.9
1982	6.7	6.1	9.5	8.1	7.7
1983	6.3	5.7	8.9	7.7	7.6
1984	5.7	5.4	7.7	7.0	6.0
1985	5.6	5.1	8.5	6.8	5.9
1986	4.9	4.4	7.5	6.0	5.2
1987	3.9	3.5	5.7	4.3	4.4
1988	3.1	2.7	4.9	3.7	3.3
1989	2.5	2.3	3.9	2.9	2.6
1990	2.7	2.5	3.9	3.6	2.8
1990: 1 Q	3.0	2.8	4.1	4.2	2.8
2 Q	2.7	2.3	4.3	3.4	2.8
3 Q	2.7	2.5	3.8	3.5	2.8
4 Q	2.6	2.4	3.3	3.2	2.8
1991: 1 Q (p)	2.6	2.4	3.6	3.7	2.9
2 Q (p)	2.6	2.3	4.1	3.6	2.9

Note: Detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-3
TOTAL JOBS: 1980 TO 1991

Year	Total jobs 1/	Nonagriculture			Agriculture			Labor disputes
		Total	Wage & salary	Self-employed	Total	Wage & salary	Self-employed	
1980	448,300	432,400	404,100	28,300	15,400	10,800	4,600	500
1981	449,900	433,950	404,800	29,150	15,850	11,500	4,350	100
1982	446,100	430,700	399,400	31,300	15,300	11,300	4,000	100
1983	453,800	438,550	406,250	32,300	15,100	11,200	3,900	150
1984	461,000	446,100	412,650	33,450	14,450	10,800	3,650	450
1985	473,200	459,150	425,750	33,400	13,950	10,450	3,500	100
1986	486,850	473,300	438,550	34,750	13,350	10,150	3,200	200
1987 2/	504,950	490,650	459,950	30,700	14,250	10,550	3,700	50
1988	524,500	510,800	478,050	32,750	13,600	10,000	3,600	100
1989	551,200	538,050	504,800	33,250	13,100	9,600	3,500	50
1990	571,550	557,750	520,100	37,650	13,150	9,650	3,500	650
1990: 1 Q	565,700	551,300	515,050	36,250	11,950	8,900	3,050	2,450
2 Q	571,450	558,900	520,850	38,050	12,550	9,400	3,150	50
3 Q	568,250	553,700	515,300	38,400	14,500	10,550	3,950	50
4 Q	580,400	567,000	529,100	37,900	13,400	9,650	3,750	-
1991: 1 Q (p)	585,050	572,350	534,450	37,900	12,550	8,650	3,900	-
2 Q (p)	588,600	575,150	536,200	38,950	13,450	9,700	3,750	-
	Percent change from same period in previous year							
1980	3.2	3.4	2.6	16.2	1.0	0.5	2.2	NM
1981	0.4	0.4	0.2	3.0	2.9	6.5	-5.4	NM
1982	-0.8	-0.7	-1.3	7.4	-3.5	-1.7	-8.0	NM
1983	1.7	1.8	1.7	3.2	-1.3	-0.9	-2.5	NM
1984	1.6	1.7	1.6	3.6	-4.3	-3.6	-6.4	NM
1985	2.6	2.9	3.2	-0.1	-3.5	-3.2	-4.1	NM
1986	2.9	3.1	3.0	4.0	-4.3	-2.9	-8.6	NM
1987	(NC)	(NC)	4.9	(NC)	6.7	3.9	15.6	NM
1988	3.9	4.1	3.9	6.7	-4.6	-5.2	-2.7	NM
1989	5.1	5.3	5.6	1.5	-3.7	-4.0	-2.8	NM
1990	3.7	3.7	3.0	13.2	0.4	0.5	-	NM
1990: 1 Q	4.9	4.7	4.0	16.2	-4.8	-3.8	-7.6	NM
2 Q	3.9	4.2	3.5	13.4	-4.9	-3.1	-10.0	NM
3 Q	2.6	2.5	2.0	10.8	4.7	3.9	6.8	NM
4 Q	3.3	3.3	2.7	12.6	3.5	3.2	4.2	NM
1991: 1 Q (p)	3.4	3.8	3.8	4.5	5.0	-3.0	27.9	NM
2 Q (p)	3.0	2.9	2.9	2.4	7.2	3.2	19.0	NM

Note: Detail may not add to total due to rounding.

p Preliminary. NC Not comparable. NM Not meaningful

1/ Total of wage and salary jobs and self-employed in agricultural and nonagricultural industries plus those jobs involved in labor disputes.

2/ Revision in methodology affecting non-agricultural self-employed from 1987. Data and subtotals not comparable to previous years.

Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-4
NUMBER OF JOBS, BY INDUSTRY: 1989 TO 1991

Series	1989	1990	May 1991(p)	Percent change from previous year		
				1989	1990	May 1991(p)
Total jobs 1/	551,200	571,550	587,650	5.1	3.7	2.9
Non-agricultural wage and salary jobs	504,800	520,100	536,700	5.6	3.0	3.0
Construction	29,200	29,900	33,150	24.8	2.4	12.8
Manufacturing	21,300	20,650	20,200	-3.2	-3.1	-1.2
Durable goods	4,250	4,100	4,000	0.0	-3.5	-2.4
Nondurable goods	17,100	16,550	16,200	-3.7	-3.2	-0.9
Food processing	9,350	9,050	9,100	-6.0	-3.5	2.8
Sugar processing	2,500	2,500	2,500	-12.3	0.0	2.0
Pineapple processing	1,750	1,400	1,500	-14.6	-20.0	11.1
Other food processing	5,100	5,150	5,100	1.0	1.0	1.0
Transportation, commun., utilities	40,200	41,950	42,450	5.8	4.4	1.6
Trade	132,950	135,100	134,600	4.3	1.6	0.6
Wholesale	21,950	22,550	22,450	5.8	2.7	0.2
Retail	111,000	112,550	112,150	4.0	1.4	0.8
Finance, insurance, real estate	35,150	36,050	37,800	2.0	2.6	5.6
Services	144,600	151,150	157,700	8.5	4.5	5.0
Hotels	37,000	38,400	39,450	7.7	3.8	2.7
Government	101,450	105,250	110,850	2.0	3.7	1.0
Federal	33,850	33,800	32,350	0.0	-0.1	-6.6
State	53,550	57,050	64,050	3.3	6.5	4.9
Local	14,100	14,400	14,450	1.8	2.1	2.8
Agriculture (wage & salary)	9,600	9,650	9,650	-4.0	0.5	4.3
Sugar	3,300	3,100	2,900	-10.8	-6.1	-1.7
Pineapple	1,850	1,850	1,650	5.7	0.0	-8.3
Diversified agriculture	4,500	4,700	5,100	-1.1	4.4	13.3
Nonagric. self-employed 2/	33,250	37,650	37,550	1.5	13.2	-.0.4
Agricultural self-employed 2/	3,500	3,500	3,750	-2.8	0.0	19.0
Labor disputes	50	650	-	...	...	...

p Preliminary.
1/ Total of nonagricultural and agricultural wage and salary, self-employed, and jobs involved in labor disputes.
2/ Self-employed includes unpaid family workers and domestics.
Source: Hawaii State Department of Labor and Industrial Relations.

Table 4-5
NON-AGRICULTURAL WAGE AND SALARY JOBS, BY COUNTY: 1980 TO 1991

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
1980	404,100	333,050	28,450	15,150	27,500
1981	404,800	332,300	28,850	15,200	28,450
1982	399,400	325,700	28,700	15,150	29,900
1983	406,250	330,100	29,350	15,700	31,100
1984	412,650	334,400	30,400	15,750	32,150
1985	425,750	342,300	32,250	16,700	34,550
1986	438,550	351,450	33,150	17,900	36,050
1987	459,950	366,550	35,300	19,300	38,850
1988	478,050	378,150	37,100	21,000	41,850
1989	504,800	395,600	41,050	23,350	44,750
1990	520,100	406,750	43,150	23,750	46,450
1990: 1 Q	515,050	403,650	42,400	23,550	45,450
2 Q	520,850	408,400	42,700	23,450	46,300
3 Q	515,300	402,550	42,700	23,500	46,550
4 Q	529,100	412,450	44,750	24,400	47,450
1991: 1 Q	534,450	413,650	47,000	25,250	48,500
2 Q p)	535,900	414,650	47,200	25,500	48,650
	Percent change from same period in previous year				
1980	2.6	2.2	2.9	6.1	4.3
1981	0.2	-0.2	1.4	0.3	3.5
1982	-1.3	-2.0	-0.5	-0.3	5.0
1983	1.7	1.4	2.3	3.6	4.0
1984	1.6	1.3	3.6	0.3	3.4
1985	3.2	2.4	6.0	6.0	7.4
1986	3.0	2.7	2.9	7.2	4.4
1987	4.9	4.3	6.4	7.9	7.8
1988	3.9	3.2	5.1	8.8	7.7
1989	5.6	4.6	10.6	11.2	6.9
1990	3.0	2.8	5.1	1.7	3.8
1990: 1 Q	4.0	3.9	5.8	3.5	3.1
2 Q	3.5	3.6	4.9	1.3	2.9
3 Q	2.0	1.8	3.1	-0.6	3.4
4 Q	2.7	2.0	6.6	2.2	5.5
1991: 1 Q (p)	3.8	2.5	10.8	7.2	6.7
2 Q (p)	2.9	1.5	10.5	8.7	5.1

Note: Detail may not add to total due to rounding.
p Preliminary.
Source: Hawaii State Department of Labor and Industrial Relations.

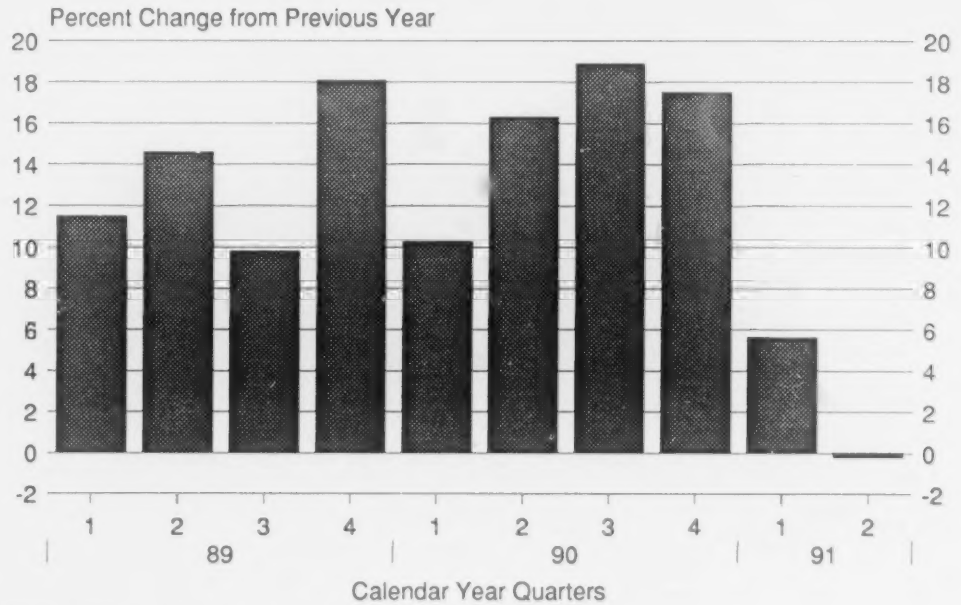
5. Business Activity

The decline in visitor arrivals in the first half of the year due to the Persian Gulf War has shown up clearly in business income reported for the second quarter. Total business receipts subject to general excise and use tax in the second quarter were flat compared to the same quarter in 1990. Retail sales in the second quarter were also flat, while hotel receipts fell by 3 percent. The impact of these weaknesses were mitigated by strong gains in other services and construction. With tourism back to more normal levels, trade and hotel receipts should begin showing some improvement in the months ahead.

The decline in General Excise and Use Tax revenue did not slow General Fund Tax revenues in the second quarter, however. Strong gains in individual and corporate income tax receipts in the second quarter helped the fund increase by over 13 percent from the same 1990 quarter. The strong gains in income tax probably reflect strong income gains in 1990 and may moderate as collections begin to reflect slower income growth in the first half of 1991.

Figure 5-1

Growth In Taxable Business Receipts



SOURCE: DBED, Based on data from the Dept. of Taxation

Table 5-1
VALUE OF BUSINESS TRANSACTIONS SUBJECT TO STATE EXCISE AND USE TAX: 1982 TO 1991

[Millions of dollars]

Year	Total taxable transactions	Selected industry transactions				
		Retailing	Services	Hotel rental	Diversified agriculture	Manufacturing 1/
1982	20,722.1	7,043.6	1,976.2	875.5	176.8	544.3
1983	21,416.8	7,458.8	2,128.5	858.2	221.6	502.3
1984	23,879.9	8,182.7	2,396.1	1,008.6	257.6	530.1
1985	24,630.3	8,605.2	2,529.7	1,153.4	251.6	538.3
1986	26,335.2	9,206.7	2,786.1	1,227.2	258.8	565.4
1987	29,232.3	10,010.4	3,057.4	1,434.8	264.1	588.3
1987 2/	28,072.4	9,356.7	2,856.2	1,346.5	264.1	588.3
1988	31,833.9	10,501.7	3,337.6	1,429.3	308.2	606.7
1989	36,106.5	11,693.5	3,611.5	1,486.5	319.0	657.9
1990	41,770.1	13,166.5	4,440.6	1,620.3	325.0	754.4
1990: 1 Q	10,271.8	3,351.3	1,095.2	450.9	93.6	172.8
2 Q	10,364.3	3,269.4	1,127.9	400.6	77.1	195.9
3 Q	10,616.5	3,326.6	1,109.3	403.9	75.4	202.7
4 Q	10,517.5	3,219.2	1,108.2	364.9	78.9	183.0
1991: 1 Q	10,851.8	3,403.8	1,200.1	368.1	83.3	157.9
2 Q	10,350.4	3,2770.6	1,219.3	388.5	78.8	174.8
	Percent change from same period in previous year					
1982	3.4	5.3	10.3	15.3	2.0	-11.6
1983	-0.9	5.9	7.7	-2.0	25.3	-7.7
1984	11.5	9.7	12.6	17.5	16.2	5.5
1985	3.1	5.2	5.6	14.4	-2.4	1.5
1986	6.9	7.0	10.1	6.4	2.9	5.0
1987	11.0	8.7	9.7	16.9	2.1	4.0
1988	13.4	12.2	16.9	6.1	16.7	3.1
1989	13.4	11.3	8.2	4.0	3.5	8.4
1990	15.7	12.6	23.0	9.0	1.9	14.7
1990: 1 Q	10.3	8.2	14.4	7.8	4.6	-5.6
2 Q	16.3	14.7	20.7	12.2	-3.1	21.6
3 Q	18.9	12.8	22.2	7.4	4.7	27.7
4 Q	17.5	15.2	21.5	8.9	1.3	18.1
1991: 1 Q	5.6	1.6	9.6	-18.4	-11.0	-8.6
2 Q	-0.1	0.0	7.6	-3.0	2.2	-10.8

Note: This series derived by lagging reported excise tax base data one month to adjust for reporting delay.

1/ Excludes sugar processing and pineapple canning. Manufacturing goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1989.

2/ The Department of Taxation has revised the method of reporting the taxable base by industry. Before 1988, nonspecified industry transactions were allocated to five major tax activities--retailing, services, contracting, hotel rentals, and all other rentals. Data for 1987 show results of both methods. Percentages are based on comparable series.

Source: Hawaii State Department of Taxation.

Table 5-2
COLLECTIONS OF SELECTED STATE TAXES AND GENERAL FUND TAX REVENUES: 1982 TO 1991

[Thousands of dollars]

Year	General excise and use tax 1/	Net individual income tax 2/	Net corporate income tax 3/	Tax revenues distributed to State General Fund
1982	574,590	296,757	34,785	1,011,465
1983	615,536	358,072	27,960	1,109,876
1984	669,805	413,885	39,681	1,240,352
1985	707,381	446,358	44,075	1,325,791
1986	777,961	490,185	46,216	1,486,484
1987	869,039	574,729	67,272	1,731,226
1988	965,953	680,789	63,094	1,949,103
1989	1,096,476	801,999	72,677	2,157,005
1990	1,250,203	743,114	86,268	2,246,752
1990: 1 Q	313,128	201,604	22,506	595,969
2 Q	308,587	107,591	27,904	530,495
3 Q	314,328	215,990	29,076	531,250
4 Q	314,380	217,928	6,783	589,038
1991: 1 Q	345,988	252,599	23,720	654,221
2 Q	304,240	186,217	36,368	600,830
	Percent change from same period in previous year			
1982	-0.1	-15.1	-20.2	-5.5
1983	7.1	20.7	-19.6	9.7
1984	8.8	15.6	41.9	11.8
1985	5.6	7.8	11.1	6.9
1986	10.0	9.8	4.9	12.1
1987	11.7	17.2	45.6	16.5
1988	11.2	18.5	-6.2	12.6
1989	13.5	17.8	15.2	10.7
1990	14.0	-7.3	18.7	4.2
1990: 1 Q	15.6	-1.7	-4.3	7.5
2 Q	14.0	-49.0	12.9	-10.6
3 Q	15.3	22.2	55.0	20.5
4 Q	11.3	4.2	19.2	3.6
1991: 1 Q	10.5	25.3	5.4	9.8
2 Q	-1.4	73.0	31.9	13.3

Note: This series represents data as reported by the Department of Taxation, without adjustment.

1/ Manufactured goods shipped out of State have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1988.

2/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.

3/ Declaration of estimated taxes, plus payments with returns, less refunds.

Source: Hawaii State Department of Taxation.

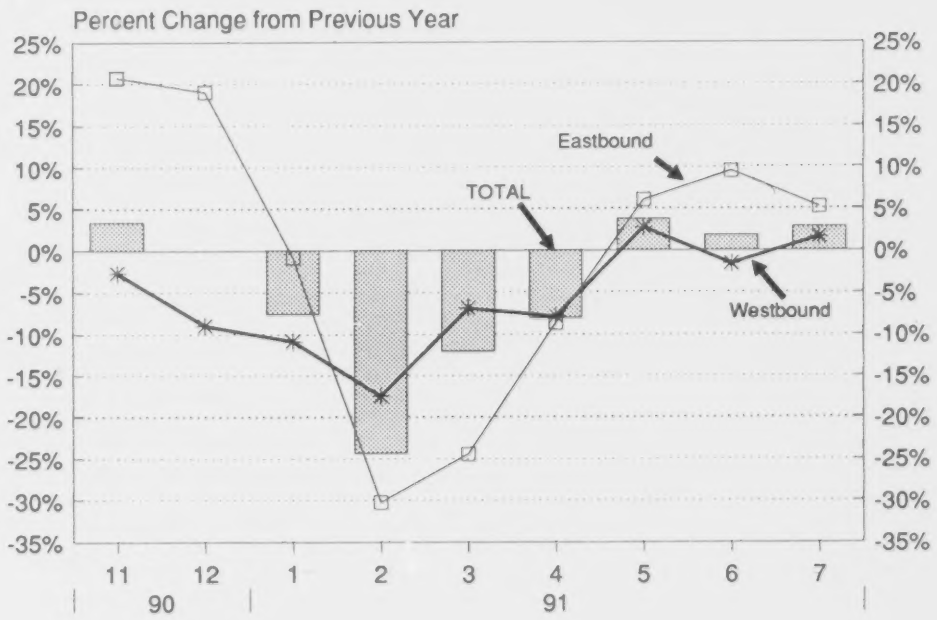
6. The Visitor Industry

By mid-year, the visitor industry appeared to have recovered from significant declines in arrivals during the first half, brought on by the Persian Gulf War. Data from the Hawaii Visitors Bureau show that the total number of visitors to Hawaii declined by 5.5 percent in the first seven months of 1991 due to the war-related travel scare. Most of the losses were in the first quarter which showed a 13.5 percent decline from the previous year. The second quarter was down by only 0.8 percent from the comparable 1990 period.

Among the two major, east and westbound segments of the visitor market, the eastbound segment (roughly 60 percent Japanese visitors) experienced the sharpest decline in the first quarter, falling 18 percent below the same 1990 period. This segment bounced back to a 3 percent gain in the second quarter. The westbound segment (84 percent U.S. residents) fell 12 percent and 2 percent, respectively in the first and second quarters.

July data for visitors showed a 2.8 percent increase from July of 1990. This resulted from a moderate 5.2 percent in eastbound arrivals and a modest 1.6 percent increase in westbound arrivals. The westbound market is expected to be the weaker of the two segments for the rest of this year due to the weak U.S. economy.

Figure 6-1
Monthly Change In Visitor Arrivals



SOURCE: Hawaii Visitors Bureau

Table 6-1
VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS: 1980 TO 1991

Year 1/	Visitors staying overnight or longer			Average daily visitor census	
	Total	Westbound 2/	Eastbound 3/	Westbound 2/	All
1980	3,934,504	3,046,132	888,372	86,788	96,497
1981	3,934,623	2,974,791	959,832	85,449	95,968
1982	4,242,925	3,278,525	964,400	94,740	105,310
1983	4,368,105	3,396,115	971,990	97,390	108,040
1984	4,855,580	3,721,380	1,134,200	106,260	118,660
1985	4,884,110	3,708,610	1,175,500	103,820	116,700
1986	5,606,980	4,256,390	1,350,590	118,110	132,900
1987	5,799,830	4,204,010	1,595,820	116,780	134,300
1988	6,142,420	4,264,730	1,877,690	115,760	141,410
1989	6,641,820	4,705,320	1,936,500	135,500	169,700
1990	6,971,180	4,719,730	2,251,450	150,340	162,070
1990: 1 Q	1,714,760	1,179,440	535,320	(NA)	(NA)
2 Q	1,724,360	1,189,300	535,060	(NA)	(NA)
3 Q	1,879,900	1,245,310	634,590	(NA)	(NA)
4 Q	1,652,160	1,105,680	546,480	(NA)	(NA)
1991: 1Q	1,483,180	1,042,730	440,450	122,540	153,580
2 Q	1,709,910	1,161,750	548,160	120,780	156,840
July	688,040	449,400	238,640	141,630	189,590
	Percent change from corresponding period in previous year				
1980	-0.7	-3.0	8.2	-3.2	-2.2
1981	0.0	-2.3	8.0	-1.5	-0.5
1982	7.8	10.2	0.5	10.9	9.7
1983	3.0	3.6	0.8	2.8	2.6
1984	11.2	9.6	16.7	9.1	9.8
1985	0.6	-0.3	3.6	-2.3	-1.7
1986	14.8	14.8	14.9	13.9	13.9
1987	3.4	-1.2	18.2	-1.1	1.1
1988	5.9	1.4	17.7	-0.9	5.3
1989	8.1	10.3	3.1	17.1	20.0
1990	5.0	0.3	16.3	11.0	-4.5
1990: 1 Q	1.8	-1.0	10.4	(NA)	(NA)
2 Q	7.4	3.8	16.4	(NA)	(NA)
3 Q	7.1	2.6	17.3	(NA)	(NA)
4 Q	3.4	-3.6	21.2	(NA)	(NA)
1991: 1 Q	-13.5	-11.6	-17.7	(NA)	(NA)
2 Q	-0.8	-2.3	2.5	(NA)	(NA)
July	2.8	1.8	5.2	0.3	0.4

NA Not available.

1/ Beginning in 1984, sample size reduced from 20 to 10 percent and numbers rounded to the nearest 10.

2/ Arriving from the Mainland United States or Canada.

3/ Arriving from the Orient and Pacific areas.

Source: Hawaii Visitors Bureau.

Table 6-2
WESTBOUND VISITORS, BY COUNTY: 1981 TO 1991

Year 1/	City and County of Honolulu	Hawaii County	Maui County	Kauai County
1981	2,398,477	672,683	1,389,892	757,811
1982	2,589,190	678,170	1,550,080	733,295
1983	2,591,575	712,380	1,644,605	691,940
1984	2,901,320	760,940	1,854,690	814,590
1985	2,828,640	697,380	1,831,110	832,580
1986	3,146,030	786,930	2,003,870	1,014,650
1987	3,078,500	782,550	1,908,780	1,032,840
1988	3,013,860	782,360	1,884,050	1,043,710
1989	3,205,800	946,540	2,113,100	1,138,230
1990	3,171,630	982,900	1,995,160	1,118,930
1990: 1 Q	756,110	263,690	501,600	265,790
2 Q	806,300	239,910	506,080	292,520
3 Q	871,770	244,310	523,800	304,870
4 Q	737,450	234,990	463,680	255,750
1991: 1 Q	671,370	244,090	438,840	235,490
2 Q	740,800	252,920	495,060	297,170
July	285,670	101,690	182,800	100,510
	Percent change from corresponding period in previous year			
1982	8.0	0.8	11.5	-3.2
1983	0.1	5.0	6.1	-5.6
1984	12.0	6.8	12.8	17.7
1985	-2.5	-8.4	-1.3	2.2
1986	11.2	12.8	9.4	21.9
1987	-2.1	-0.6	-4.7	1.8
1988	-2.1	-0.0	-1.3	1.1
1989	6.4	21.0	12.2	9.1
1990	-1.0	3.8	-5.6	-1.7
1990: 1 Q	-5.0	11.9	-8.2	-6.7
2 Q	4.0	6.8	-5.3	1.3
3 Q	2.5	-1.0	-2.9	1.9
4 Q	-5.9	-1.8	-6.0	-3.6
1991: 1 Q	-11.2	-7.4	-12.5	-11.4
2 Q	-8.1	5.4	-2.3	1.6
July	-9.8	16.0	-0.9	-5.5

1/ Beginning in 1984, sample size changed from 20 to 10 percent.
Source: Hawaii Visitors Bureau.

Table 6-3
EASTBOUND VISITORS, BY COUNTY

Period 1/	City and County of Honolulu	Hawaii County	Maui County	Kauai County
1990	2,159,210	185,820	390,800	165,760
1 Q	513,350	39,730	90,410	42,920
2 Q	513,130	45,940	95,330	42,140
3 Q	602,600	51,500	110,700	39,680
4 Q	530,130	48,650	94,360	41,020
1991: 1 Q	422,800	44,380	82,770	37,350
2 Q	523,480	47,880	108,740	45,650
July	288,090	20,960	40,730	16,640
	Percent change from corresponding period in previous year			
1991: 1 Q	-17.6	11.7	-8.5	-13.0
2 Q	1.3	3.4	13.1	7.5
July	4.8	10.5	11.1	18.9

1/ New data series began in October 1989. No comparable data before that date.
Source: Hawaii Visitors Bureau, *Monthly Highlights.*

Table 6-4
AVERAGE DAILY HOTEL ROOM RATES, BY ISLAND: 1980, 1985 TO 1991

[Dollars]

Year	State	Oahu	Hawaii	Maui	Kauai	Molokai
1980	47.37	42.70	46.40	61.34	55.16	(NA)
1985	65.66	57.00	65.35	96.75	69.51	(NA)
1986	72.67	61.99	73.88	115.33	71.56	56.73
1987	80.09	69.04	82.21	127.05	81.65	64.26
1988	87.25	75.16	87.28	133.70	89.44	59.06
1989	95.83	84.48	121.27	133.65	92.77	66.38
1990	101.90	93.21	126.17	129.19	92.03	65.65
June 1991	95.9	90.38	108.15	115.63	94.83	66.96
	Percent change from previous year					
1980	6.7	3.1	12.0	7.3	15.5	(NA)
1985	10.8	15.3	14.3	8.8	6.9	(NA)
1986	11.5	9.0	15.1	17.5	8.4	(NA)
1987	10.2	11.4	11.3	10.2	14.1	13.3
1988	8.9	8.9	6.2	5.2	9.5	-8.1
1989	9.8	12.4	38.9	-0.0	3.7	12.4
1990	6.3	10.3	4.0	-3.3	-0.8	-1.1
June 1991	-2.2	-1.0	-5.8	-8.2	2.8	10.7

NA Not available.
Source: Pannell Kerr Forster & Company, *Trends in the Hotel Industry, Hawaii.*

Table 6-5
HOTEL OCCUPANCY RATES, BY ISLAND: 1986 TO 1991

[Percent; survey excludes some large hotel chains]

Date	State	Oahu	Hawaii	Maui	Kauai	Molokai
1986	81.2	85.2	62.2	82.7	76.7	50.3
1987	81.1	86.8	60.8	76.2	74.2	45.4
1988	78.5	85.4	56.4	73.4	66.9	45.3
1989	79.0	86.4	60.8	69.2	71.3	45.4
1990	78.8	86.4	61.2	70.0	67.8	47.9
1989:						
January	82.8	92.6	61.2	68.8	66.4	56.1
February	90.0	95.2	72.2	85.1	83.8	61.8
March	85.0	91.2	64.0	79.8	75.3	51.3
April	74.1	77.6	64.5	72.1	69.1	44.5
May	70.9	76.9	55.3	64.0	65.1	42.8
June	76.8	87.6	52.5	60.4	67.8	34.5
July	80.9	88.8	63.8	69.5	73.8	38.4
August	86.6	94.2	67.6	74.2	84.1	44.8
September	75.5	85.1	51.0	60.6	67.4	42.3
October	75.6	81.0	59.6	67.7	73.9	44.3
November	77.7	84.1	60.6	69.2	70.5	46.2
December	74.0	83.1	58.0	60.2	58.1	38.9
1990:						
January	80.9	90.7	70.7	67.3	59.1	59.4
February	88.8	95.3	76.9	81.6	76.4	78.1
March	82.4	88.7	64.5	78.0	71.0	56.2
April	76.2	82.5	60.8	69.4	67.9	53.4
May	74.9	81.5	55.8	67.9	67.7	54.2
June	79.5	88.7	55.3	67.9	66.4	47.6
July	81.2	89.7	55.8	72.2	71.6	42.8
August	85.6	91.8	67.1	78.1	79.2	40.0
September	74.4	83.0	51.2	64.1	65.6	35.2
October	76.5	82.5	65.2	67.6	70.5	41.7
November	77.6	84.7	62.5	66.0	69.6	44.5
December	67.8	77.4	47.9	55.7	52.6	33.2
1991:						
January	71.2	80.8	57.1	55.8	47.5	41.8
February	67.5	73.0	61.2	58.8	56.0	47.0
March	64.9	67.9	57.0	65.3	53.7	42.3
April	69.9	72.9	62.9	69.2	60.1	37.5
May	68.8	74.4	55.6	63.3	60.6	33.6
June	74.6	83.9	52.2	65.6	59.2	27.5

Note: Survey excludes some large hotel chains.
Source: Pannell Kerr Forster & Company, *Trends in the Hotel Industry, Hawaii.*

Table 6-6
VISITOR ACCOMMODATIONS IN HAWAII, BY TYPE: 1977 TO 1990

[As of February]

Year and island	Properties			Units		
	Total	Hotels 1/	Condo-miniums 2/	Total	Hotels 1/	Condo-miniums 2/
1977	335	(NA)	(NA)	44,986	39,901	5,085
1978	353	(NA)	(NA)	47,070	40,001	7,069
1979	381	(NA)	(NA)	49,832	41,299	8,533
1980	387	(NA)	(NA)	54,246	42,609	11,637
1981	412	214	198	56,769	42,575	14,194
1982	417	208	209	57,968	43,568	14,400
1983	426	218	208	58,765	45,352	13,413
1984	443	209	234	62,448	44,846	17,602
1985	481	207	274	65,919	44,115	21,804
1986	523	201	322	66,308	43,309	22,999
1987	510	196	314	65,318	43,422	21,896
1988	481	203	278	69,012	47,892	21,120
1989	455	194	261	68,189	48,970	19,219
1990	537	218	319	72,237	52,143	20,094
ISLANDS: 1990						
Oahu	175	113	62	37,270	31,901	5,369
Waikiki 3/	140	93	47	33,558	28,610	4,948
Rest of Oahu	35	20	15	3,712	3,291	421
Other islands	362	218	257	34,967	20,242	14,725
Hawaii	92	33	59	8,952	6,691	2,261
Kauai	90	30	60	7,846	4,940	2,906
Maui	169	37	132	17,361	8,033	9,328
Molokai	7	2	5	443	216	227
Lanai	4	3	1	365	362	3

1/ Hotels, apartment hotels, motels, and cottages.
2/ Condominium accommodations in rental pools for transient use.
3/ Includes Diamond Head and Kahala but not areas ewa and mauka (west and north) of the Ala Wai Canal.
Source: Hawaii Visitors Bureau, *Visitor Plant Inventory*, 1977 to 1990.

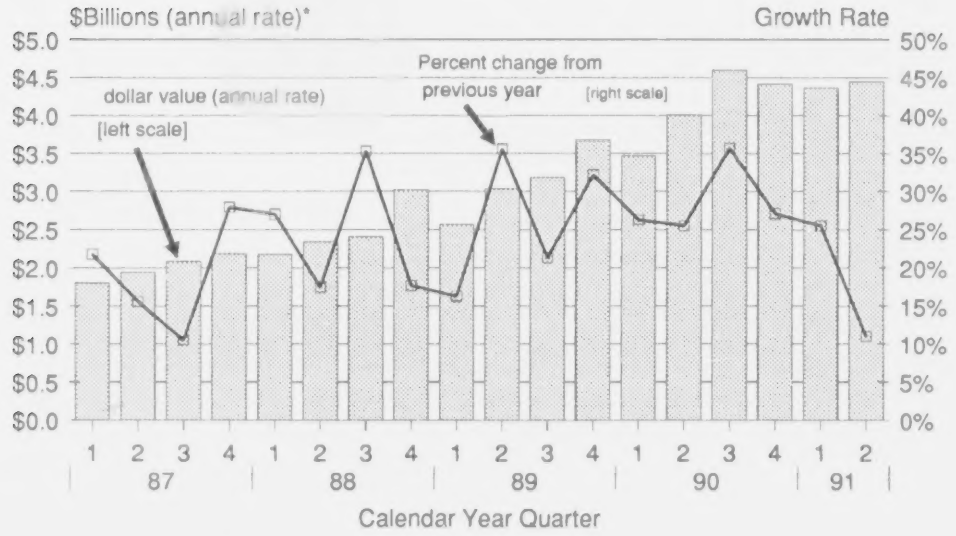
7. Construction

Current construction activity remained strong throughout the first half of 1991 with total receipts for tax purposes increasing by nearly 18 percent. There was a substantial increase in total private building authorizations in the first quarter, up 94 percent from the comparable 1990 period. Partial data through the second quarter suggested total authorizations were still well ahead of the same 1990 period even though the second quarter total showed a decline.

New government contracts awarded for construction have also shown substantial increase, up nearly 60 percent in the first half from the comparable 1990 period. The strength was most evident in Federal government construction which showed a 114 percent increase in contracts by value for the first half. State government was close behind with a 100 percent increase in contract values. This is very significant since State contracts represent about 65 percent of the government sector total. Bucking the trend were county government contracts which declined in value.

Figure 7-1

Growth In Construction Expenditures, Quarterly: 1989 TO 1991



*Each quarterly total is multiplied by 4
SOURCE: Based on data from the Dept. of Taxation. Excludes March 1990.

Table 7-1
ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED: 1985 TO 1991

[Millions of dollars]

Year	Value of construction completed 1/	Private building authorizations				Government contracts awarded
		Total private authorization	Residential	Commercial and industrial 2/	Additions and alterations	
1985	1,429.6	889.0	500.1	208.8	180.1	248.5
1986	1,810.0	1,024.1	455.5	266.3	302.3	425.1
1987	2,145.5	1,161.9	507.0	344.4	310.5	372.2
1988	2,529.0	1,540.3	686.0	538.9	315.4	654.3
1989	3,193.0	1,882.4	910.7	561.7	409.9	741.6
1990 (r)	4,121.6	2,099.6	952.3	695.9	451.5	800.6
1990: 1 Q	868.2	422.4	244.9	78.6	98.9	133.7
2 Q	1,001.3	542.9	244.0	154.8	144.2	90.0
3 Q	1,148.5	475.6	192.2	171.1	112.2	349.7
4 Q	1,103.6	658.7	271.2	291.4	96.2	227.2
1991: 1 Q	1,090.0	821.1	532.7	119.9	108.6	269.3
2Q	1,111.2	(NA)	(NA)	(NA)	(NA)	76.8
	Percent change from corresponding period in previous year					
1985	16.5	52.9	52.6	100.8	20.2	-39.6
1986	26.6	15.7	-10.6	32.7	68.7	71.1
1987	18.5	13.5	11.3	29.3	2.7	-12.4
1988	26.0	32.6	35.3	56.5	1.6	75.8
1989	26.3	22.2	32.8	4.2	30.0	13.3
1990 (r)	29.1	11.5	4.6	23.9	10.1	8.0
1990: 1 Q	26.3	1.3	44.9	-47.9	1.9	-26.7
2 Q	25.5	1.5	-25.9	25.8	61.3	-15.4
3 Q	35.7	-11.3	-20.1	6.3	-16.6	126.2
4 Q	27.1	70.1	58.0	130.0	8.3	-23.8
1991: 1 Q	25.5	94.4	117.5	52.5	9.8	101.4
2Q	11.0	(NA)	(NA)	(NA)	(NA)	-14.7

NA Not available.
r Revised.
1/ Value of construction subject to State excise tax, adjusted to reflect reporting delay of about one month.
2/ Includes hotels.
Source: Hawaii State Department of Taxation; County building departments; Trade Publishing Company, *Building Industry Digest: BID Service Weekly*, County Finance Purchasing Divisions.

Table 7-2
ESTIMATED VALUE OF PRIVATE BUILDING CONSTRUCTION AUTHORIZATIONS, BY COUNTY: 1980 TO 1991

[Millions of dollars]

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
1980	1,219.2	686.3	146.0	133.3	253.7
1981	802.0	454.1	136.5	67.7	143.7
1982	683.1	473.0	75.2	44.2	90.7
1983	685.2	366.8	86.7	140.5	91.3
1984	581.5	378.3	90.3	53.0	59.8
1985	889.0	524.8	121.3	63.9	178.9
1986	1,024.1	545.3	231.5	93.2	154.1
1987	1,161.9	749.5	145.2	103.5	163.8
1988	1,540.3	743.1	175.0	213.7	408.5
1989	1,882.4	1,047.7	338.1	178.7	317.9
1990 (r)	2,099.6	996.8	430.0	239.0	433.9
1990: 1 Q	422.4	195.1	103.8	57.9	65.6
2 Q	524.9	305.7	84.3	65.2	87.7
3 Q	475.6	223.6	140.7	40.7	70.5
4 Q	658.7	272.4	101.1	75.1	210.1
1991: 1 Q	821.1	577.6	146.2	43.3	54.0
2 Q	(NA)	274.9	73.0	32.0	(NA)
	Percent change from corresponding period in previous year				
1980	39.4	36.9	30.1	17.1	72.0
1981	-34.2	-33.8	-6.5	-49.2	-43.4
1982	-14.8	4.2	-44.9	-34.7	-35.0
1983	0.3	-22.4	15.3	217.5	0.6
1984	-15.1	3.1	4.3	-62.3	-34.4
1985	52.9	38.7	34.3	20.5	199.0
1986	15.2	3.9	90.8	45.9	-13.9
1987	13.5	37.5	-37.3	11.0	6.3
1988	32.6	-0.9	20.5	106.5	149.4
1989	22.2	41.0	93.2	-16.4	-22.2
1990 (r)	11.5	-4.9	27.1	33.7	36.5
1990: 1 Q	1.3	-13.3	-0.3	69.3	22.2
2 Q	1.5	-7.8	15.6	94.6	-15.9
3 Q	-11.3	-18.3	52.3	-40.3	-30.7
4 Q	70.1	25.2	474.4	75.5	261.6
1991: 1 Q	94.4	196.0	40.8	-25.2	-17.7
2 Q	(NA)	-10.1	-13.4	-52.7	(NA)

NA Not available.
r Revised.
Source: County building departments.

Table 7-3
ESTIMATED VALUE OF GOVERNMENT CONSTRUCTION CONTRACTS AWARDED IN HAWAII, BY AWARDING AGENCY: 1980 TO 1991

[Millions of dollars]

Year	Total	Federal	State	County
1980	230.6	66.5	120.0	44.1
1981	427.5	176.1	180.5	70.9
1982	392.7	139.6	182.0	71.2
1983	277.9	84.7	126.8	66.4
1984	411.8	130.0	196.7	85.1
1985	248.5	74.8	93.8	79.9
1986	425.1	101.9	205.4	117.8
1987	372.2	107.9	174.2	90.1
1988	654.3	170.5	351.5	132.3
1989	741.6	135.1	400.3	206.2
1990	800.6	100.5	549.8	150.3
1990: 1 Q	133.7	-21.0	62.0	50.7
2 Q	90.0	3.1	53.4	33.5
3 Q 1/	349.7	17.3	313.2	19.2
4 Q	227.2	59.1	121.3	46.8
1991: 1 Q	279.3	51.0	175.7	28.9
2 Q	76.8	0.6	54.5	14.1
	Percent change from corresponding period in previous year			
1980	-40.7	-37.1	-45.7	-28.8
1981	85.4	164.8	50.5	60.6
1982	-8.1	-20.7	0.8	0.4
1983	-29.3	-39.3	-30.3	-6.7
1984	48.2	53.4	55.1	28.2
1985	-39.6	-42.4	-52.3	-6.2
1986	71.1	36.2	119.1	47.4
1987	-12.4	5.9	-15.2	-49.3
1988	75.8	58.0	101.8	46.8
1989	13.3	-20.8	13.9	55.9
1990	8.0	-25.6	37.3	-27.1
1990: 1 Q	-26.7	-42.0	-4.1	-37.9
2 Q	-15.4	-76.9	-20.5	29.8
3 Q 1/	126.2	-29.1	308.6	-64.2
4 Q	-23.8	-3.2	-36.8	3.7
1991: 1 Q	108.9	142.6	183.4	-43.0
2 Q	-14.7	-80.6	2.2	-57.9

Note: Figures may not add to totals due to rounding.
NC Not comparable.
1/ Includes $108,464,186.00 contract awarded for a portion of the H-3 freeway.
Source: Trade Publishing Co., *Building Industry Digest: BID Service Weekly*, First Hawaiian Bank, Research Division, County Finance Purchasing Divisions.

Table 7-5
HONOLULU CONSTRUCTION COST INDEXES: 1983 TO 1991

[1982=100]

Year	Single-family residence			High-rise building		
	All components	Material prices	Labor 1/	All components	Material prices	Labor 1/
1983	109.5	111.3	107.3	106.9	107.4	106.7
1984	114.3	113.1	115.8	110.9	108.0	114.2
1985	117.4	115.2	120.1	113.5	108.7	118.2
1986	121.5	119.1	124.4	116.8	110.8	122.4
1987	125.7	123.7	128.2	120.7	114.9	125.8
1988	132.8	133.2	132.2	126.1	121.6	129.9
1989	138.5	137.2	140.3	133.2	126.7	138.8
1990	145.7	145.1	146.4	142.1	138.5	145.2
1990: 1 Q	140.4	136.9	144.8	135.4	126.5	143.1
2 Q	141.6	139.2	144.8	137.1	129.7	143.5
3 Q	149.0	151.1	146.4	146.7	148.4	145.3
4 Q	151.6	153.2	149.5	149.3	149.6	149.1
1991: 1 Q	151.0	152.0	149.7	148.4	147.6	149.2
	Percent change from corresponding period in previous year					
1983	9.5	11.3	7.3	6.9	7.4	6.9
1984	4.3	1.6	7.9	3.8	0.6	7.0
1985	2.7	1.9	3.7	2.4	0.6	3.5
1986	3.5	3.4	3.6	2.9	1.9	3.6
1987	3.5	3.8	3.0	3.4	3.7	2.8
1988	5.6	7.7	3.2	4.4	5.9	3.4
1989	4.3	3.0	6.1	5.6	4.2	6.9
1990	5.2	5.8	4.3	6.7	9.3	4.6
1990: 1 Q	2.4	0.7	4.5	3.0	1.0	4.8
2 Q	2.2	0.7	4.2	3.2	1.8	4.4
3 Q	7.7	10.6	4.2	10.4	18.0	4.5
4 Q	8.2	11.2	4.5	10.0	16.5	5.0
1991: 1 Q	7.5	11.0	3.4	9.6	16.7	4.3

1/ Includes wages and benefits.

Source: First Hawaiian Bank, Research Division.

Table 7-4
NUMBER OF SINGLE-FAMILY AND MULTI-FAMILY HOUSING UNITS AUTHORIZED BY COUNTY: 1980 TO 1991

Year	State	City & County of Honolulu	Hawaii County	Kauai County	Maui County
Single-family and duplex units:					
1980	4,058	1,645	1,204	401	808
1981	2,649	728	1,048	409	464
1982	2,285	725	800	230	530
1983	3,417	1,627	938	291	561
1984	4,442	2,513	928	361	640
1985	4,951	2,436	1,046	453	1,016
1986	4,700	2,173	1,144	438	945
1987	6,066	2,870	1,442	599	1,155
1988	6,191	2,158	1,674	702	1,657
1989	6,858	2,105	2,690	881	1,182
1990 (r)	6,002	1,927	2,075	872	1,128
1990: 1 Q	1,922	722	527	319	354
2 Q	1,476	495	486	258	237
3 Q	1,132	304	452	150	226
4 Q	1,472	406	610	145	311
1991: 1 Q	1,094	273	508	153	160
2Q	804	265	459	(NA)	(NA)
Multi-family units:					
1980	6,603	3,297	727	766	1,813
1981	3,142	1,873	270	64	935
1982	4,594	4,109	245	118	122
1983	1,341	1,220	38	73	10
1984	1,021	829	153	35	4
1985	2,450	1,807	128	84	431
1986	2,479	1,986	21	-	472
1987	1,459	785	138	-	536
1988	2,593	1,168	446	21	958
1989	2,939	1,762	363	30	784
1990 (r)	2,672	1,036	580	308	748
1990: 1 Q	495	107	388	-	-
2 Q	690	254	96	6	334
3 Q	349	190	44	79	36
4 Q	1,138	485	52	223	378
1991: 1 Q	2330	1,523	562	-	245
2Q	769	766	3	(NA)	(NA)

NA Not available.
r Revised.
Source: County building departments.

8. Housing and Household Characteristics in 1990

Results from the 1990 census show that the total housing stock in Hawaii increased by about 57,600 units, or 17.3 percent, between 1980 and 1990. In addition, a more intensive use of the housing stock resulted in 4,600 formerly unoccupied units added to the occupied total, for a 21.2 percent increase in occupied housing units.

This housing stock increase is actually underestimated to an unknown extent due to some changes between 1980 and 1990 in the definition for housing purposes of condominiums used exclusively for short-term visitor rentals. As a result, the multi-unit housing count shows a net decline over the decade with all of the new additions to the housing stock composed of single-unit structures. It is hoped that future data from the census and other sources will clarify the status of transient units and permit an estimation of the true multi-unit housing stock. Still, even a significant revision in the number of multi-unit housing additions is likely to alter the conclusion that Hawaii's primary source of new housing in the 1980s was single-family structures.

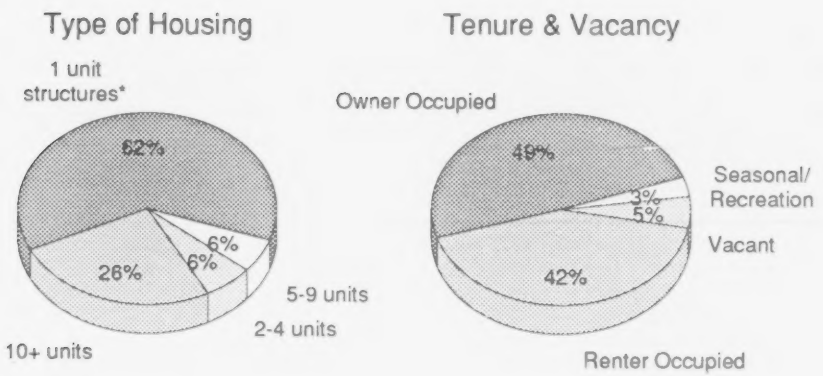
Hawaii County showed the sharpest increase in housing growth with the stock increasing 41.0 percent from 1980 to 1990. Maui County had the second fastest ten-year housing stock percent growth at 27.6, followed by Kauai at 18.8 and Honolulu at 11.8 percent.

The estimated value of housing in the State increased fastest on Oahu from 1980 to 1990. The median housing unit value on Oahu in 1990 was $283,600, up 119 percent from 1980. Kauai experienced the sharpest increase in rent for housing, with a median of $532 in 1990, an increase of 202 percent from 1980. This probably reflects the phasing out of subsidized plantation homes as well as the construction of more expensive units over the period.

Some population characteristics shown in tables 1-1 to 1-5 of chapter one help show the unusual pressures on the housing supply over the decade. Compared to the 14.9 percent increase in total population, the number of households expanded by 21.2 percent. Several non-traditional components fueled this increase in housing demand. Nearly 53,000 households were single-parent families in 1990 an increase of 31.4 percent from 1980. Nonfamily households increased 36.5 percent to 92,800 in 1990. This category included 69,000 householders living alone. The traditional married-couple family increased by 13.3 percent over the decade. While this is slower growth than for the population as a whole, these households still dominate, representing 59 percent of the total. Single parent households represented 14.9 percent of all households while, non-families accounted for 26.1 percent of the total.

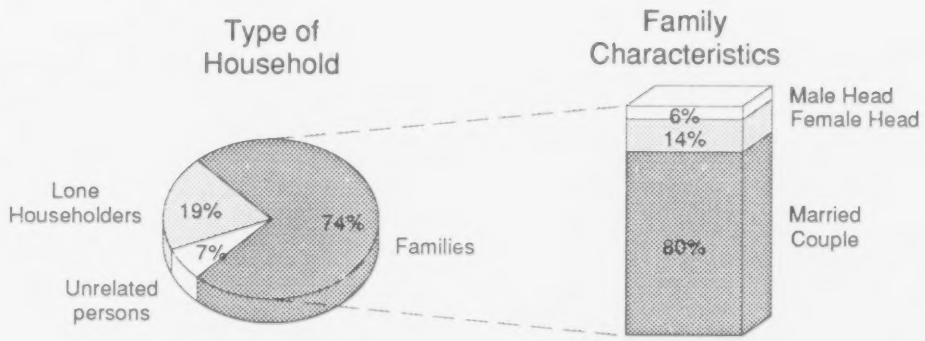
Thus, while the housing stock appeared to have kept abreast of the overall increase in population over the last decade, a higher rate of new and particularly nontraditional household formations, caused demand to exceed additions to the stock. Particularly notable was a sharp increase in new, single-wage earner households, contrasted with a housing stock growth almost exclusively composed of expensive, single-family units.

Figure 8-1
Total Housing Units: 1990
Total: 389,810



Source: Table 8-1
*Includes 6,100 Mobile home, & other

Table 8-2
Household Characteristics: 1990
Total: 356,267



Source: Table 1-1

Table 8-1.-- SELECTED HOUSING CHARACTERISTICS FOR THE STATE OF HAWAII: 1980 AND 1990

Subject	1980 1/	1990	Change	
			Number	Percent
Total housing units	332,213	389,810	57,597	17.3
Occupancy and tenure:				
Occupied housing units	294,052	356,267	62,215	21.2
Owner occupied	151,954	191,911	39,957	26.3
Percent owner occupied	51.7	53.9	(X)	(X)
Renter occupied	142,098	164,356	22,258	15.7
Vacant housing units	38,161	33,543	-4,618	-12.1
For seasonal recreational, or occasional use	(NA)	12,806	(NA)	(NA)
Homeowner vacancy rate (percent)	1.4	0.8	(X)	(X)
Rental vacancy rate (percent)	10.3	5.4	(X)	(X)
Persons per owner-occupied unit	3.41	3.19	-.22	-6.5
Persons per renter-occupied unit	2.87	2.78	-.09	-3.1
Units with over 1 person per room	44,905	56,708	11,803	26.3
Units in structure:				
1-unit, detached	158,174	202,990	44,816	28.3
1-unit, attached	13,562	34,041	20,479	151.0
2 to 4 units	33,386	24,182	-9,254	-27.6
5 to 9 units	22,874	22,258	-618	-2.7
10 or more units	103,791	100,238	-3,553	-3.4
Mobile home, trailer, other	418	6,101	5,683	1,359.6
Value:				
Specified owner-occupied units	109,334	144,431	35,097	32.1
Less than $50,000	9,186	3,339	-5,847	-63.7
$50,000 to $99,999	31,651	13,111	-18,540	-58.6
$100,000 to $149,999	35,660	16,706	-18,954	-53.2
$150,000 to $199,999	18,699	21,119	2,420	12.9
$200,000 to $299,999	14,138	39,679	76,018	537.7
$300,000 or more		50,477		
Median (dollars)	118,100	245,300	127,200	107.7
Contract rent:				
Specified renter-occupied units paying cash rent	122,095	139,266	17,171	14.1
Less than $250	52,504	15,119	-37,385	-71.2
$250 to $499	57,961	36,779	-20,912	-36.5
$500 to $749	11,630	43,763	75,738	651.2
$750 to $999		25,164		
$1,000 or more		18,441		
Median (dollars)	271	599	328	121.0

X Not applicable.
NA Not available.
1/ Data for 1980 exclude 2,022 vacant seasonal and migratory units.
Source: U.S. Bureau of the Census, *1980 Census of Housing, General Housing Characteristics, Hawaii*, HC80-1-A13 (July 1982) and *Detailed Housing Characteristics, Hawaii*, HC80-1-B13 (May 1983); Release CB91-133 (April 22, 1991).

Table 8-2.-- SELECTED HOUSING CHARACTERISTICS FOR THE CITY AND COUNTY OF HONOLULU: 1980 AND 1990

Subject	1980 1/	1990	Change	
			Number	Percent
Total housing units	252,038	281,683	29,645	11.8
Occupancy and tenure:				
Occupied housing units	230,214	265,304	35,090	15.2
Owner occupied	114,831	137,910	23,079	20.1
Percent owner occupied	49.9	52.0	(X)	(X)
Renter occupied	115,383	127,394	12,011	10.4
Vacant housing units	20,652	16,379	-4,273	-20.7
For seasonal recreational, or occasional use	1,172	4,462	3,290	280.7
Homeowner vacancy rate (percent)	1.1	0.6	(X)	(X)
Rental vacancy rate (percent)	7.2	4.3	(X)	(X)
Persons per owner-occupied unit	3.18	3.23	0.05	1.6
Persons per renter-occupied unit	2.50	2.80	0.30	12.0
Units with over 1 person per room	35,598	43,526	7,928	22.3
Units in structure:				
1-unit, detached	105,995	126,553	20,558	19.4
1-unit, attached	12,271	28,914	16,643	135.6
2 to 4 units	28,119	19,384	-8,735	-31.1
5 to 9 units	20,200	18,285	-1,915	-9.5
10 or more units	84,011	84,378	367	0.4
Mobile home, trailer, other	268	4,169	3,901	1,455.6
Value:				
Specified owner-occupied units	78,096	98,541	20,445	26.2
Less than $50,000	3,171	977	-2,194	-69.2
$50,000 to $99,999	18,257	3,079	-15,178	-83.1
$100,000 to $149,999	28,975	7,155	-21,820	-75.3
$150,000 to $199,999	15,871	12,626	-3,245	-20.4
$200,000 to $299,999	11,822	30,702	62,882	531.9
$300,000 or more		44,002		
Median (dollars)	129,500	283,600	154,100	119.0
Contract rent:				
Specified renter-occupied units paying cash rent	99,606	107,256	7,650	7.7
Less than $250	24,540	9,653	-14,887	-60.7
$250 to $499	49,465	27,231	-22,234	-44.9
$500 to $749	9,457	35,258	60,915	644.1
$750 to $999		20,019		
$1,000 or more		15,095		
Median (dollars)	276	615	339	122.8

NA Not available.

1/ Data for 1980 exclude 2,022 vacant seasonal and migratory units.

Source: U.S. Bureau of the Census, *1980 Census of Housing, General Housing Characteristics, Hawaii*, HC80-1-A13 (July 1982) and *Detailed Housing Characteristics, Hawaii*, HC80-1-B13 (May 1983); Release CB91-133 (April 22, 1991).

Table 8-3.-- SELECTED HOUSING CHARACTERISTICS FOR THE COUNTY OF HAWAII: 1980 AND 1990

Subject	1980 1/	1990	Change	
			Number	Percent
Total housing units	34,215	48,253	14,038	41.0
Occupancy and tenure:				
Occupied housing units	29,237	41,461	12,224	41.8
Owner occupied	17,731	25,336	7,605	42.9
Percent owner occupied	60.6	61.1	(X)	(X)
Renter occupied	11,506	16,125	4,619	40.1
Vacant housing units	4,717	6,792	2,075	44.0
For seasonal recreational, or occasional use	261	2,045	1,784	683.5
Homeowner vacancy rate (percent)	2.1	1.5	(X)	(X)
Rental vacancy rate (percent)	14.1	10.3	(X)	(X)
Persons per owner-occupied unit	2.94	2.93	-	-0.3
Persons per renter-occupied unit	2.43	2.76	-	13.6
Units with over 1 person per room	3,799	5,155	1,356	35.7
Units in structure:				
1-unit, detached	25,213	36,622	11,409	45.3
1-unit, attached	386	1,399	1,013	262.4
2 to 4 units	2,080	2,150	70	3.4
5 to 9 units	814	1,642	828	101.7
10 or more units	5,388	5,561	173	3.2
Mobile home, trailer, other	88	879	791	898.9
Value:				
Specified owner-occupied units	15,703	21,910	6,207	39.5
Less than $50,000	4,172	1,832	-2,340	-56.1
$50,000 to $99,999	7,837	7,582	-255	-3.3
$100,000 to $149,999	2,175	4,969	2,794	128.5
$150,000 to $199,999	808	3,190	2,382	294.8
$200,000 to $299,999	711	2,500	3,626	510.0
$300,000 or more		1,837		
Median (dollars)	71,200	113,000	41,800	58.7
Contract rent:				
Specified renter-occupied units paying cash rent	9,667	13,941	4,274	44.2
Less than $250	5,618	2,841	-2,777	-49.4
$250 to $499	3,583	5,797	2,214	61.8
$500 to $749	581	3,154	4,722	812.7
$750 to $999		1,414		
$1,000 or more		735		
Median (dollars)	220	428	208	94.5

(X) Not applicable.
NA Not available.
1/ Data for 1980 exclude 2,022 vacant seasonal and migratory units.

Source: U.S. Bureau of the Census, *1980 Census of Housing, General Housing Characteristics, Hawaii*, HC80-1-A13 (July 1982) and *Detailed Housing Characteristics, Hawaii*, HC80-1-B13 (May 1983); Release CB91-133 (April 22, 1991).

Table 8-4.-- SELECTED HOUSING CHARACTERISTICS FOR THE COUNTY OF KAUAI: 1980 AND 1990

Subject	1980 1/	1990	Change	
			Number	Percent
Total housing units	14,828	17,613	2,785	18.8
Occupancy and tenure:				
Occupied housing units	12,020	16,295	4,275	35.6
Owner occupied	6,429	9,582	3,153	49.0
Percent owner occupied	53.5	58.8	5.3	9.9
Renter occupied	5,591	6,713	1,122	20.1
Vacant housing units	2,524	1,318	-1,206	-47.8
For seasonal recreational, or occasional use	284	333	49	17.3
Homeowner vacancy rate (percent)	1.5	0.7	-0.8	-53.3
Rental vacancy rate (percent)	21.0	4.3	-16.7	-79.5
Persons per owner-occupied unit	3.05	3.28	0.2	7.5
Persons per renter-occupied unit	2.61	2.85	0.2	9.2
Units with over 1 person per room	1,825	2,613	788	43.2
Units in structure:				
1-unit, detached	10,296	13,934	3,638	35.3
1-unit, attached	352	1,158	806	229.0
2 to 4 units	1,117	1,053	-64	-5.7
5 to 9 units	639	446	-193	-30.2
10 or more units	2,105	647	-1,458	-69.3
Mobile home, trailer, other	19	375	356	1,873.7
Value:				
Specified owner-occupied units	5,489	8,414	2,925	53.3
Less than $50,000	678	168	-510	-75.2
$50,000 to $99,999	2,572	996	-1,576	-61.3
$100,000 to $149,999	1,301	2,090	789	60.6
$150,000 to $199,999	502	1,938	1,436	286.1
$200,000 to $299,999	436	1,854	2,786	639.0
$300,000 or more		1,368		
Median (dollars)	89,700	171,500	81,800	91.2
Contract rent:				
Specified renter-occupied units paying cash rent	4,744	5,822	1,078	22.7
Less than $250	2,943	1,253	-1,690	-57.4
$250 to $499	1,460	1,392	-68	-4.7
$500 to $749	341	1,473	2,776	831.7
$750 to $999		1,092		
$1,000 or more		612		
Median (dollars)	176	532	356	202.3

NA Not available.

1/ Data for 1980 exclude 2,022 vacant seasonal and migratory units.

Source: U.S. Bureau of the Census, *1980 Census of Housing, General Housing Characteristics, Hawaii*, HC80-1-A13 (July 1982) and *Detailed Housing Characteristics, Hawaii*, HC80-1-B13 (May 1983); Release CB91-133 (April 22, 1991).

Table 8-5.-- SELECTED HOUSING CHARACTERISTICS FOR THE COUNTY OF MAUI: 1980 AND 1990

Subject	1980 1/	1990	Change	
			Number	Percent
Total housing units	33,033	42,160	9,127	27.6
Occupancy and tenure:				
Occupied housing units	22,150	33,145	10,995	49.6
Owner-occupied	12,963	19,083	6,120	47.2
Percent owner-occupied	57.6	57.6	(X)	(X)
Renter-occupied	9,547	14,062	4,515	47.3
Vacant housing units	10,218	9,015	-1,203	-11.8
For seasonal recreational, or occasional use	305	5,944	5,639	1848.9
Homeowner vacancy rate (percent)	2.1	1.5	(X)	(X)
Rental vacancy rate (percent)	29.1	9.9	(X)	(X)
Persons per owner-occupied unit	2.98	3.23	0.25	8.39
Persons per renter-occupied unit	2.33	2.66	0.33	14.16
Units with over 1 person per room	3,683	5,411	1,728	46.9
Units in structure:				
1-unit, detached	16,555	25,781	9,226	55.7
1-unit, attached	551	2,569	2,018	366.2
2 to 4 units	2,068	1,595	-473	-22.9
5 to 9 units	1,219	1,885	666	54.6
10 or more units	12,287	9,652	-2,635	-21.4
Mobile home, trailer, other	43	678	635	1476.7
Value:				
Specified owner-occupied units	10,046	15,566	5,520	54.9
Less than $50,000	1,165	362	-803	-68.9
$50,000 to $99,999	2,985	1,454	-1,531	-51.3
$100,000 to $149,999	3,209	2,492	-717	-22.3
$150,000 to $199,999	1,518	3,365	1,847	121.7
$200,000 to $299,999	1,169	4,623	6,724	575.2
$300,000 or more		3,270		
Median (dollars)	112,100	202,100	90,000	80.3
Contract rent:				
Specified renter-occupied units paying cash rent	8,078	12,243	4,165	51.6
Less than $250	3,259	1,368	-1,891	-58.0
$250 to $499	3,453	2,359	-1,094	-31.7
$500 to $749	1,366	3,878	7,150	523.4
$750 to $999		2,639		
$1,000 or more		1,999		
Median (dollars)	306	658	352	115.0

X Not applicable.

NA Not available.

1/ Data for 1980 exclude 2,022 vacant seasonal and migratory units.

Source: U.S. Bureau of the Census, *1980 Census of Housing, General Housing Characteristics, Hawaii*, HC80-1-A13 (July 1982) and *Detailed Housing Characteristics, Hawaii*, HC80-1-B13 (May 1983); Release CB91-133 (April 22, 1991).

RECENT ECONOMIC AND DEMOGRAPHIC TRENDS: STATE OF HAWAII

Series 1/	Unit	Period	Number	Percent change from same period in previous year
Resident population 2/	Persons	4/1/90	1,108,229	14.9
City and County of Honolulu	Persons	4/1/90	836,231	9.7
Hawaii County	Persons	4/1/90	120,317	30.7
Kauai Island	Persons	4/1/90	50,947	30.9
Maui Island	Persons	4/1/90	91,361	45.4
Molokai	Persons	4/1/90	6,717	11.5
Lanai	Persons	4/1/90	2,426	14.5
Niihau	Persons	4/1/90	230	1.8
Personal income	$ Million	1991 1Q	23,315	7.4
Consumer price index (CPI-U):				
Honolulu	(1982-84 = 100)	1991 1st half	146.8	8.3
U.S.	(1982-84 = 100)	1991 1st half	135.2	5.1
Construction:				
Private permits	$ Million	1991 1Q	821.1	94.4
Residential permits	$ Million	1991 1Q	532.7	117.5
New single-family units	Number	1991 1Q	109.4	-43.1
New multi-family units	Number	1991 1Q	233.0	370.7
Commercial & industrial	$ Million	1991 1Q	119.9	52.5
Additions & alterations	$ Million	1991 1Q	108.6	9.8
Government contracts awarded	$ Million	1991 2Q	76.8	-14.7
Construction cost indexes (Hon):				
Single-family units	(1982 = 100)	1991 1Q	151.0	7.5
High-rise buildings	(1982 = 100)	1991 1Q	148.4	9.6
Employment (p):				
Civilian labor force	Persons	1991 2Q	549,333	1.8
Civilian employment	Persons	1991 2Q	534,800	1.8
Civilian unemployment	Persons	1991 2Q	14,533	1.6
Unemployment rate	Percent	1991 2Q	2.6	(NM)
Total jobs	Number	1991 2Q	588,600	3.0
Visitor industry:				
Total visitors	Number	1991 2Q	1,709,910	-0.8
Westbound	Number	1991 2Q	1,161,750	-2.3
Eastbound	Number	1991 2Q	548,160	2.5
Hotel/condo units for visitor use	Number	1990	72,237	5.9
Sugar production (p)	$ Million	1989	322.0	-0.6
Pineapple sales (p)	$ Million	1989	241.9	-2.1

NA Not available.
NM Not meaningful.
p Preliminary estimates.
1/ Statewide data, unless indicated otherwise.
2/ Percentage change figures were calculated using 1980 Census data.

QUARTERLY STATISTICAL AND ECONOMIC REPORT
SECOND QUARTER 1991

E R R A T A

Page	Location	Correction
1	2nd Col. 2nd line	Should read "1980 to 1990," rather than "1980-1900."
1	2nd Col. next to last line	Should read "25 to 44 years," rather than "21 to 44 years."
2	2nd Col. 3rd full paragraph lines 8 and 10	Line 8 should read "2.5 percent by 1989," rather than "2.7 percent in 1990."
		Line 10 should read "571,550," rather than "571,450."
33	1991 2Q Retailing	Should read "3,270.6," rather than "3,2770.6."